Daily Report

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NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Alia Delivers Speech to Workers Party Aktiv

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["Text" of speech by Ramiz Alia, Albanian Workers Party Central Committee first secretary, to national party aktiv in Tirana on 26 December—recorded]

[Text] Dear comrades, the Central Committee called this national party aktiv today to discuss the party's electoral program and to approve the list of candidates to the post of deputy. It is also natural for us to discuss the current political situation in the country and the economy and our tasks in general for today and the future.

How does the situation appear today? Politically, it is complex. Economically, it is serious. From the point of view of public order, it is worrisome. Albania is experiencing an intensive period of political life. Political forces have emerged on the scene with aims, preoccupations, and objectives different from those of our party. These forces are still at an organizational stage; as for their political aspects, they still do not have a clearly defined program, apart from certain blanket formulations with the character of slogans—not concrete political or ideological formulations. Sooner or later, however, they will organize and formulate their aims and objectives. So far, only one party, called the Democratic Party, has come forward and registered. The situation that has been created cannot pass without tensions, bewilderment, and concern. Our people are not used to a free competition of different political parties, if we except the period of the National Liberation War. At that time, however, the political struggle was different and was divided into two entirely hostile fronts. On one side were the National Liberation Front and the Communist Party, and on the other side were collaborationist political parties or groups.

We still lack the practice of a democratic pluralist political life, just as we lack the education, concepts, and ethics to conduct such a democratic life. It is precisely this situation which creates this tension, confusion, and measure of concern which I mentioned earlier. There is, however, a variety of other reasons for this bewilderment and concern The changes which our party has undertaken have been carried out very fast; neither party members nor the people have yet fully grasped them. There is also very strong external pressure. Foreign propaganda centers are striving to make us struggle on unknown terrain, and are forcing us to discuss theories and situations for which we are not prepared, and are forcing us to state our views about events beyond our sphere of interest, and to discuss ideological, historical, and cultural topics that do not concern us.

Of course, their aim is clear: They wish to divert our developments in directions that are in their interests, and ensure that developments in Albania take place according to their recipes and ideas. The economic situation is not good, either. The main reasons for this are now well known. Last year's hard winter and the great summer drought led to a reduction of energy sources at the hydroelectric stations and a reduction in the yields of the spring crops which make up the bulk of our agricultural production. Furthermore, because of a lack of raw materials and a reduction in the imports of spare parts, equipment, and various kinds of machines, production also fell in oil and in some mines which provide the basis of our exports. As a result, hard currency losses amount to one-third of our entire annual exports.

There is, however, another reason. The internal political situation and recent developments in the world influenced the creation of a psychosis of hysteria in many sectors, a fall in labor productivity, and an increase in high expenditure. All these things led to a reduction of financial resources in both leks and hard currency, the nonfulfillment of plans, and failures to reach objectives, which have made it impossible to create new jobs and as a result have increased unemployment. Because of some obstacles in our legislation, and for other well-known reasons, it has not been possible to secure credits and foreign financial resources to cure the economy.

In recent times, a new phenomenon has also emerged, which has a negative influence both on the economy and politics. The destructive acts in Shkoder, Elbasan, Kavaje, Durres, etc., have created a state of tension and great revulsion. The acts of destruction that took place in Shkoder, Kavaje, Durres, Elbasan, etc., and which have caused so much concern among our people, have led the foreign press to call them anticommunist demonstrations here in Albania. I fail to understand why you have to destroy shops, blow up factories, steal things that do not belong to you, intimidate and scare people to show you are anticommunist. I understand perfectly well, however, that all those people who support these destructive people wish to incite and justify such activities. These shops, buildings, and goods which these so-called anticommunists destroyed were not the property of communists, but of the Albanian people and state, who required 45 years to build them. They represented the sweat of every Albanian, the blood of every citizen of our country, that great or small inheritance which the parents of today wish to leave to their children so they may live on this earth.

We do not know specifically who organized these destructive forces, and who led them in their attacks; however, we know one thing for certain. They are not thinking and acting for the good of Albania and its people. Their plan is clear. They want to leave the people without bread and work, to compel the state to exhaust its final reserves, and above all to frighten off foreigners from investing in Albania.

Who requires a ruined and hungry Albania, an Albania plunged in chaos, and left to consequences which we do not desire? Not the Albanians. Others, maybe.

Let everyone think and judge for himself who is placing Albania, its people, and future in danger As for our

party, it strongly condemns these provocations which aim to destroy the country; it will oppose and combat them, and is convinced that neither the freedom, independence, and sovereignty we have secured, nor the democracy we wish to establish, can be built on ruins. Each person in this country must draw the lesson and understand that the country's stability is the basic precondition, not only for success in the process of democratization, but for its economic and cultural progress and its very existence. For communists, the issue of Albania's stability must be the criterion and test of civil loyalty and patriotic dedication. Our party is the initiator and leader of the extremely wide and deep reforms which are at present being carried out in our country. We did not undertake these reforms to follow the fashion, or under anybody's pressure or imposition. They are the fruit of a comprehensive analysis of internal and external situations which have led us to a new ideological, political, and cultural conception of the line of the party for the future. We began to make this line concrete from the eighth to the 13th plenums of the Central Committee. (?The announcement of this new line involves) a departure from many earlier (?concepts) in connection with socialism as a social order, property, mass democracy, and the party itself. This line is also a correction of many standpoints from the past, [words indistinct], lack of knowledge, [words indistinct] imposed by particular circumstances. [passage indistinct]

The party and people have now long supported these decisions and favor their determined and consistent implementation. They see that they correspond to the current conditions of our development and are in accordance with the entire process of today's world developments.

Of course, in (?50) years of activity, several mistakes have been made. [passage indistinct] Within the party, there are comrades who a priori think that everything that has been done has been right, [words indistinct]. There are others who think that the identification, analysis, and classification of these mistakes is necessary not only to ensure they are not repeated, but to define the correct road we will follow in the future, especially to strengthen trust in the party.

Outside the party, there is a category of people who wish to make a topical issue of mistakes of this kind, making tools out of them and exploiting them for aims of a revanchist character. Such people wish to deny everything that has been achieved in these 45 years, to deny the National Liberation War and the economic, social, and cultural transformations which constitute our people's greatest historic victories; they attack and denigrate the figure of Comrade Enver Hoxha, who led the Albanian people in the victory against fascism and in the creation of a new Albania. Our party stands forthrightly in front of the people and in front of the entire world, because its entire struggle and all its efforts have had as their aim only one thing: the well-being of the working people, and the freedom and independence of the homeland. It has unreservedly dedicated itself to these lofty aims at all times, when fascism sought to annihilate us as a nation, when diversionaries sent from abroad destroyed what the people had built and killed innocent people, when the country was threatened by poverty and hunger, and when foreign powers tried to destroy the independence of our homeland in various ways.

As I said, various mistakes have been made in the party's work, but these do not in the least devalue the historic achievements of these decades; furthermore, a single person, whoever he may be, is not and cannot be made responsible for them. We all—the entire party—bear responsibility for everything. We have spoken and may speak again about mistakes and shortcomings, not merely for the sake of self-criticism, but especially to draw lessons for the future. On the other hand, let the historians deal with the past. They must study concrete situations and the circumstances under which one step or another was made, and draw the appropriate conclusions. This is their duty. In all cases, however, let us look at the past calmly, dispassionately, objectively, and realistically. If we transform the mistakes of the past into a political problem of the day, there is the danger, under current conditions, that they will be transformed into a destabilizing factor of the first rank, a fetter which will tie us to one place and prevent us from taking steps forward. As the ancient Greeks said, if you look back you will go back. If you look ahead, you will move ahead.

Next year, as has been decided, the party congress will be held. From a formal point of view, this is a regular congress, but in its tasks and in the burden which it bears, it will be an assembly of historic importance for the party. The activity and role of the party cannot be conceived as it has been up to this time, for many reasons. The program of the party in virtually all fields is now fulfilled. The economic system that we created on the basis of the theories and practices which you know, and which has yielded all these results for Albania, is now (?exhausted). We need other paths to move ahead. The political system—the centralization necessary for the renewal and functioning of a country devastated by war and the creation of a state from scratch, with intensive accumulation necessitated by the lack of foreign capital, foreign intervention, and the continual peril posed to national independence—has now become an obstacle for the country's further progress.

We are entering a phase in which our security and economic progress is conditional on joining the process of European security and cooperation, and in which our diplomatic activity for the defense of the country's freedom and independence is quite different from before.

In the national political arena today, political forces led by ideologies and political programs different from ours are competing. Under these conditions, the party has the need for fresh thinking, and a new conception of how to realize its socialist ideals, its role in society and the social system, and its relations with social and mass organizations. I say here that the party has no intention of

abandoning its Marxist ideology, its history, or its struggle, with those superhuman sacrifices which its members made for the liberation and the construction of the new Albania.

This renewal is being carried out in the name of the future and not because of the past. The communists rose in revolution to topple social injustice, to destroy the privileges of the ruling classes and to establish equality among people, to abolish the monopoly of knowledge, and to give education to the people's children. They rose to ensure labor, bread, shelter, and social protection for the people; to expel foreigners and to (?return) Albania to the Albanians. They are determined to defend these victories of the people and to carry them forward even further. Albanian communists have the conviction and the will to draw on the most advanced political and ideological thinking of the time, just as they have the ability to apply it to life. Their ranks include warriors who represent the cream of the workers class and the peasantry, men of knowledge and specialists who are the most distinguished in the country, cadres distinguished in all fields, a powerful army of intellectuals who are in a position to formulate in a scientific way the demands of the time and the road by which they can be met.

We will approve the new program at the congress, but this does not mean that we will stand idle until then. We are outlining the general contours of this program at this aktiv, and its principal guidelines are now clear. This gives us the opportunity of going to the congress not only with new ideas, but with experience in the struggle to realize them. Basic party organizations and individual communists have been sending to the Central Committee requests and suggestions for the renewal of the entire party's managing apparatus with young and energetic people who are able to match up to the demands of new situations. These requests are just and must be acted on as soon as possible. Between now and 10 February 1991, we will be preoccupied with the elections for the People's Assembly, and the entire focus of the party's struggle must concentrate on this front. Immediately after the conclusion of the elections to the People's Assembly, however, there must be elections for the bureaus of the basic organizations within the party, party committees, and other local forums. The Central Committee must lay down new regulations and criteria for these elections and those which will be held for congress delegates, in accordance with the demands of the times and the wishes and ideas of the base. Other people must come into the leading organs of the party, from the base to the center, people with authority acquired by work and knowledge, people tied closely to the people and their worries.

At the same time, the party must work to further deepen democracy in its internal life, through increasing the participation of communists in the making of the party's important decisions, through continual reporting to the membership in connection with the work of the leading organs and their various measures and decisions. The need has also arisen to cut to a considerable extent the number of employees in the party's apparatus, including that of the Central Committee. In this spirit, the question of the Higher Party School and the party's courses must also be studied, to find more effective ways to train party cadres.

Many comments have also been made concerning various comrades and particular forums. In some cases, they raise the issue of age, in others that of ability, and in many others that of the abuse of privileges, etc., in connection with members of both central and local organs.

I will begin with the issue of privileges. First, I wish to stress that when our party was founded, its motto was the struggle against all forms of privilege, injustice, and abuse of power. The general interest constituted and still constitutes the essence of the ideology of Albanian communists. I am not only thinking of the time of the war; even later, communists were the first, regardless of any difficulty or material interest, to work in the great mass actions for the reconstruction of the country and the building of industrial projects. It was they who heeded the party's call to help in the emancipation and development of the country's most remote areas. It was and still is they who occupy the most difficult posts, always ready to sacrifice everything together with the people. These communists, the ordinary members and cadres who make up the majority of the party, have been and remain its honor and the honor of the country.

Nevertheless, there are also elements in the party, particularly in the ranks of managers at various levels, who have joined for the sake of their careers, who sully the name of a party member with their alien behavior and their cronyism, arrogance, and their claims on the rights due to them, etc. These people have forgotten their ideals, or, worse, never had any. They have forgotten the sacrifices that have been made, and have forgotten that the people have elected them to these posts to serve them and not to profit at their expense. This can no longer be tolerated. Such people who exploit party membership for their own narrow interests must, therefore, be removed from its ranks.

In connection with this problem, there have been various views about the treatment of leading comrades in the party and state, in connection with the so-called block where they live. I wish to explain in public that hostile rumors and slogans alleging that some inhabitants of this block have bought the houses in which they live, that some others have swimming pools and (?who knows what), and that some others have hard currency savings abroad are slanders and utter lies which in reality do not aim at these people personally, but at the party and its reputation. (?Regardless of all this), the leaders of the party, from the highest to the lowest, will no longer receive special treatment for being a party official. Our Central Committee has proposed to the government that the inhabitants of the block should be transferred to ordinary city houses, and the houses should be freed and

made available for government services which arise at certain times, or for other purposes.

Also, at its next session, the Assembly will lay down by law the (?housing) and the extent of the services available to the president of the Presidium of the People's Assembly, the head of the government, and other government personalities.

As for the question of the age or incompetence of individual comrades, the Central Committee has taken some measures to ensure respect for the regulations laid down in the party statute, and will act in this spirit in the future. If it is considered appropriate, this aktiv may also take some steps, but the party congress, which has unlimited authority, must act fully in this matter.

Finally, I also wish to explain something in relation to the proposal made to the government by the Politburo regarding the removal of symbols dedicated to Stalin. The biography and activity of Stalin do not have any direct relation to Albania. We valued him particularly as a leader of the Soviet Union's patriotic war and one of the heads of the antifascist coalition, and for his defense of Albania in 1948 and later, when Yugoslavia sought to swallow up our country. It might be said that our alliance with Stalin at that time came from a coincidence of interests. These times of our relations with the Soviet Union and Stalin now belong to distant history. Nevertheless, many names, monuments, and symbols dedicated to these times, which had lost their earlier value, remained among us. The evil was that this involved a danger of their being transformed into political or ideological symbols which were in no one's interests and (?served nobody's purpose). It is therefore to the general good to revoke the old decisions in connection with the commemoration of Stalin, which were made at a certain time and for certain purposes at that time.

In little more than a month, on 10 February, our people will go to the polls to elect the new Assembly. The main guidelines of the policy the party has undertaken and will undertake in the future are embodied in the party's electoral program, which we will we put before the people prior to the elections to the People's Assembly.

In the political field, the party has launched an initiative which aims at a significant improvement of the management of the state. The goal of its struggle is to build a law-governed state which will function fully. On the initiative of the party, constitutional changes have been undertaken, which must be examined at the very first session of the People's Assembly, which will be produced by the new elections. The commission to draft these changes has worked hard to ensure that our state's basic law will open broad prospects for democratic developments in our country, ensuring the true exercise of the people's power, and guaranteeing the rights of the citizen and the individual. The people will have the opportunity to acquaint themselves beforehand with the draft of the new Constitution, and to make what comments they wish, which the deputies should consider carefully when they examine and approve it.

The changes to the Constitution that the party has proposed pave the way for the institutionalization of the rule of law. On the basis of these amendments, the legislation of our republic will also be changed, over and above the changes which have already been made.

On its own initiative and by its own free will, the party asked for the article of the Constitution that juridically laid down its leading role in the state system to be changed. The party led the state and society even when we did not have the Constitution, in the early days when this role was not laid down in the basic law. It may secure this role still today through its authority, experience, and the trust the people place in it. The important thing is that these changes to the Constitution create a truly democratic and truly all-powerful Assembly, the hub of a network of people's councils with extensive local autonomy at the base. Our party favors the creation of a legal system which will guarantee the rights and duties of people according to current European standards, at the same time preserving our national spiritual and popular values. This policy of the party has also been officially expressed by the government of the People's Socialist Republic in its decision in connection with Albania's application for admission to the CSCE; therefore, let us be clear that whoever talks about human rights in Albania is knocking at an open door.

The pluralist and entirely free elections to be held on 10 February are a testimony to the political will and resolution to achieve this legal system. The Albanian Workers Party [PLA] will take part in these elections as an independent electoral participant alongside others, in the conviction that our people, utterly freely and without any kind of pressure or coercion, will vote for it as they have done to date. Among the democratic transformations undertaken by our party is the emergence on the scene of other different political parties, organizations, and associations. We see in this new phenomenon an activation and intensification of our political life, which now becomes pluralist and more articulate. Our sole desire is that we would wish that these organizations be led in their aims and activities by a national and democratic spirit. We are for a loyal dialogue with them on all those problems which preoccupy the country, and for cooperation for their solution on the basis of a program. Our party does not labor under the slightest prejudice concerning other political organizations. In assessing them, its judgment will not be affected either by the persons taking part in them, or their propaganda statements. Of course, if they remain within the bounds of democratic political ethics, we will assess them on the basis of the attitudes they will maintain toward the interests of the homeland and their respect for democratic life. Let the people judge them.

As for the mass organizations, the party must devote particular care and attention to them. We are united with these organizations in our socialist ideals and in our

common struggle to protect the property and rights of the workers class efforts; to create conditions for our young people to grow up healthy, educated, and cultured, entering life with a sense of security which will give them the confidence to be a guarantee of the country's progress; and by the unstinted support the PLA has given to the women of Albania for their total emancipation, preserving and enhancing the social standing they have won.

These organizations' struggles and their goals, interests, and desires have been and remain the programmed goals and objectives of our party. Of course, the mass organizations should have organizational independence and a political profile of their own, stemming from their struggle in a specific sphere of social interest, the specific ways and means they use in this struggle, and the specific professional, cultural, and other interests they represent.

Our party not only has a very clear aim of democratic transformation, but has an equally clear program for achieving it. The people have always supported the party fully, and this is a powerful testimony to its correctness. Moreover, this support is also a popular mandate to lead these transformations and carry them forward.

Major transformations are also taking place in the economy, where a radical reform is under way. The new economic mechanism, replacing the system of central command and administration, will lead toward a market economy on which the large state sector will compete with the cooperativist and private sector, without state intervention, and with free initiative. Of course, this restructuring is being carried out under the conditions of Albania, in a specific situation, with its human, technical, and professional possibilities defined within certain objective limits, and within the context of certain traditions and a certain psychology. We should bear this in mind to find genuine formulas to suit Albanian circumstances, and to define the priority objectives to be attained, and the rate at which we are to proceed.

In the field of economic relations, we should not be guided by euphoria, voluntarism, or, especially, dilettantism. It is common knowledge that the economy is at present facing difficulties. What are our party's possibilities of overcoming these, and what might the roads toward further development be?

As for the swift normalization of the market for staple consumer goods, the government has undertaken and will undertake various measures, using our financial resources to buy from abroad, and requesting credits. This situation will be overcome, but no citizen can forget that the damage done by natural causes had a devastating impact. Each of us should, therefore, be economical, using staple products sparingly, and not allowing certain individuals to create irregularities on the market with bulk purchases above their normal requirements.

As for the future, we may say that there are real opportunities for faster and significant progress. We are a small country and do not need very great investments. We have ample human and material resources. We have a favorable climate and geographical position. We do not have foreign debts. These factors make it possible for us to attract foreign investors, who have the opportunity to earn greater profits at lower cost, while at the same time opening prospects for the country's faster development.

Some interesting agreements have recently been signed, one for the creation of a joint production of woolen clothing that will initially employ about 400 workers, but will also expand into leather production, etc., employing about 2,000 people. A joint Albanian-French firm has been created which will encourage the supply of various goods for the Albanian market, as well as boosting exports. A joint Albanian-Swiss bank has been created, which will exert a direct influence of increasing investment in the country. Talks are under way for the construction of tourist hotels, the construction of a factory which will manufacture refrigerators, electrical household appliances, telephones, and telephone exchanges for domestic needs and for export. Talks are also under way with West German, U.S., Canadian, and Italian firms on the subject of off-shore oil exploration and a more intensive exploitation of oil resources on land.

These and other similar agreements which may also extend to the fields of agriculture, tourism, and the food and mining industries create favorable conditions for changing the economic situation within a short time. It is vital, however, for our economic and governmental bodies to work more vigorously. At the same time, political stability is necessary, because as I stressed earlier, nobody, no foreign firm or state, will invest without a guarantee of the stability of the country to which they are transferring their capital.

Our economic development is also confronted with certain other problems, which must be solved. The main problem is that of economic profitability. We have many unprofitable enterprises. How can this problem be solved?

It is clear that the main way is by increasing production, mastering technology, and improving workers' professional skills. Bearing in mind the experience of the market economy about which there is so much talk now, there are also other opportunities. One way is to close unprofitable enterprises, because subsidies for them consume a large proportion of the budget. According to the new economic mechanism, this will be done in the second year. We must be aware, however, that this would mean the immediate lay-off of a large number of workers, who must be found new jobs. Another way would be (?to cut) state subsidies, allowing an enterprise to raise the prices of its products and reduce its work force, so the enterprise becomes profitable. My view has been and remains that these measures must be carried out gradually; otherwise they would lead to very serious social consequences. We have never made, and are not making, any empty promises to the people. The party must struggle to raise working people's incomes, to

improve their living standards, and to create the necessary economic conditions. In introducing the new economic mechanism, we must advance together, strengthening both the country's economy in general and that of individual enterprises.

To ease the solution of this problem, investments in heavy industry must be restricted, to ensure a faster growth of investment in the food industry, light industry, and agriculture. Along with this, economic and technical cooperation with foreign investment must be encouraged, to employ not only the contingent of workers who arrive as a result of natural population growth, but those workers who will become superfluous in unprofitable enterprises. Moreover, the state will allocate convertible currency for such investments, whose proceeds will be reinvested in the creation of new enterprises, or will be used for the purchase of key consumer goods for the people's needs.

Cooperation with the world must be extended in many fields, and particular care must be devoted to the development of tourism, light industry, and the food industry, which are sectors that pay for themselves and produce incomes in a relatively short time.

As for the state subsidies for the prices of various products, especially food products, these must be considered with care. The elimination of these subsidies could be achieved alongside the strengthening of the economy and the enterprises and alongside rising personal incomes, so that not only will living standards not be affected, but they will be maintained, and the achievements attained in the social spheres of education, free health care, pensions, and social services etc. can be carried forward.

There is no doubt that advancing on this road will ensure conditions for the greater employment of more skilled and more qualified workers. This will make it necessary to reimpose a system of taxes and duties, whose aim will be use a proportion of the incomes of those enterprises and individuals which are in a more robust economic condition to favor those families with lower incomes or with many children, to help the unemployed, etc.

Employing people is another great problem in the economic field that must be determinedly confronted. Solutions here are tied to more extensive investment and in this direction, as I have said, increasing cooperation with foreign firms and foreign investments play a special role.

We must, however, also follow another road. It is vital to encourage more determinedly the initiative of collectives and individuals in various ways. A large number of private shops and handicraft collectives have now been created, and production from these is considerable; they employ a substantial number of people.

The aim must be for these services to expand the scope of their activities and to be introduced in other branches of the economy, especially small-scale production, so they, too, may help increase employment and create jobs, whether in the cooperativist or private sectors, or in partnerships.

Regarding people's employment, we must not exclude the possibility of employment abroad; however, one thing must be clear: No state has yet asked for workers from our country. If they ask, our state will, of course, give a positive answer and will help to meet their requests with the best possible conditions. On the other hand, now that every citizen is supplied with a passport, there is no obstacle to anybody finding work abroad. From now on, exit visas in passports will be valid for one year, and citizens will have the right to extend them indefinitely at our diplomatic representations abroad. In this way, these economic migrants will not experience difficulties of a moral or political nature, and may return home whenever they wish.

As for the countryside, the party's policy has shown its effectiveness in every direction, in the economy, social matters, and the development of education and culture. Every measure must, therefore, be taken to strengthen the agricultural cooperatives, and the state should create conditions for their independence. Meanwhile, we must continue and even increase the state's investments in irrigation, agricultural machinery, chemical fertilizers, etc., so these may help to increase agricultural production at a faster rate. At the same time, the initiative of cooperatives in various activities must be encouraged more, alongside the initiative of individual peasants, so they may transform their plots into a developed economy which will add to agricultural and livestock production.

We have created an advanced agrarian system that provides the entire population with bread and food. We have demonstrated the advantages of collectivization, without which there could have been no land reclamation or systemization or new irrigation projects. Only the economic strength provided by collectivization could point our agriculture, with its small acreage, on the road of modernization.

Agriculture (?has led the way) in the efforts for economic reform. This has made it possible to restore some forms of balance which were disturbed. The cooperativist order was freed from a range of administrative orders which limited the independence of action allowed to group property. There have been grants of land and livestock to the personal plots. By correcting the decision to create small herds, the peasantry have been enabled to meet many of their own needs from their own property and labor, according to their individual needs.

From the point of view of intensification, concentration, and forms of property, cooperativism is at a variety of stages that correspond to the variety of natural conditions in our country. In the future, the peasantry will be able to enter into other forms of cooperation, which are under study. We may unhesitatingly say, however, that

the cooperative has emerged as an economically profitable unit under our conditions.

Our party has waged a major struggle for the education of its members and all the people in the noble virtues and ethics of cultured behavior, with wholesome tastes. We hear great praise for Albanians today, as cultured, civilized, humane, and democratic people. These qualities have been explained by their education in guest rooms ["oda," rooms in Albanian houses, traditionally used for the reception of male guests, informal education, and the inculcation of moral values]. Modern Albanians, however, are not products of these guest rooms, but of that great education they received in the mountains of Albania, fighting against the fascists and Ballists [members of Albanian noncommunist wartime movement], in the construction of railroads and great industrial projects, in the union of the peasantry in cooperatives and the huge collectives of the factories, in the first literacy courses and in our thousands of new schools, in the People's Army through which entire generations have passed, in the university from which all our intelligentsia have emerged, in the marriage of young people of different religious backgrounds, in the unified language, in the pages of our books, and in the radio and television broadcasts which cover the entire country.

Our party must continue this proud struggle for the education of our people with the same passion, zeal, and resolution as up until now. Preserving these now-consolidated moral values and opening up new horizons for the emancipation of our society, the party must struggle to ensure respect for the freedom of conscience of our people, our fine traditions and customs, and the collective and individual characteristics of our different social groups. In this context, an initiative has been taken to permit the free practice of religion and the observance of various festivals and rites as individuals may wish.

We favor the development of culture on a national, popular, and democratic basis. In this spirit, the communists have carried out their cultural work, and will do so in the future. Our young people, too, have clearly stated that they like this kind of culture. It is a great source of satisfaction to us that we have such a younger generation, which wishes to be closely tied to the country and its people.

Up until now, our literature and art have been far from the commercialism that is predominant in many countries. It is incumbent on all of us to preserve them from this evil, which is dangerous for a small people, just as it is our duty to prevent the spread to Albania of various contagious diseases which some consider to be inevitable consequences of civilization. I am referring to drugs, terrorism, prostitution, and other phenomena of this kind.

I would like to dwell on another problem that is preoccupying us in our present struggle. We have suffered and still suffer from bureaucracy. The party has long been aware of this evil, and has waged a great struggle against it. Nevertheless, this phenomenon has not been eliminated. We have preferred to consider it a phenomenon arising from subjective causes; therefore, we have concentrated our struggle on education. We have appealed to reason, conscience, and people's culture. In some cases, we have even become resigned, thinking that the very existence of the state and the administration produces bureaucracy. Some people have imagined that the removal of one official and his replacement with another, the substitution of an able official for a torpid one, would improve the situation. Of course, subjective causes, the existence of the state and the administration, their sense of social responsibility, and various material difficulties, have had a certain influence on the growth of bureaucracy; however, the fundamental reason for its growth and persistence lie in administration (?by command.)

At present, very suitable conditions have been created for a powerful and successful blow against bureaucracy. The new economic mechanism and the entire system of competition it creates, the creation of a law-governed state, pluralism of thought, and the expansion of information and criticism are precisely the mechanisms which will restrict the sphere of bureaucracy and will put an end to the signs of it we see today.

Among the many reasons why the party took the initiative and drafted the program for democratic transformation was its desire and determination to deal a blow to bureaucracy and eliminate it.

Comrades, as you know, our party's electoral program is not only broad but offers many prospects. It does not terminate with the electoral campaign, but lays down the party's main objectives for the future, also indicating the road it must take to attain them. In our struggle for its realization by the masses, however—and, to some extent even within the party ranks—some obstacles of a psychological character have arisen. One of these is a feeling of impatience evident among some people. In this context, our party, which has long experience in its struggle to transform the country and is characterized by wisdom and realism, must carry out a great deal of explicatory work with people.

We must make everyone aware that not everything we plan and not everything we wish for can be achieved immediately, overnight, or within an hour. Still less can they be achieved in an atmosphere of conflict and social tension. Impatience leads to random behavior, anarchy, and destabilization; therefore, if we want to achieve this democratic transformation, we must avoid precisely these things.

A few words also about our foreign policy. The policy pursued by the PLA and the Albanian state is a policy of preserving the unrestricted freedom, independence, and sovereignty of our people, securing favorable external conditions for the country's peaceful construction. We

embarked from this principle when we formed alliances with other countries, when we left them, and when we fought against them.

Today, at the moment when I am speaking, Albania is a totally independent state without any contracted political, economic, or military tie with a foreign country which would restrict to the slightest extent its national sovereignty, hinder in any way its freedom of action in the international arena, or influence it even minimally in freely expressing its view and doing so loudly and clearly at any time on any international question.

Furthermore, as I speak, Albania is a country without debts or similar economic obligations which could impose any kind of political restriction.

Has it paid for this freedom, independence, total sovereignty, and international status which has given it its reputation and outstanding individuality? Of course, it has paid for it with an economic development which has not been so fast in comparison with others, and with other sacrifices.

Such is history. History has not given Albania many options to choose. We must not forget that, in the devastating storms of the past, not only hot but cold wars have passed over us, and it was not the Albanians who caused them.

We are a peaceful country, and do not trouble anybody, just as we do not allow others to deprive us of our rights. We favor friendly, equal, and unconditional relations based on mutual respect, noninterference, and fruitful cooperation to reciprocal benefit.

It is because we so value our freedom, independence, and sovereignty that we have not asked and do not ask others to accept our ideology and political concepts, ethical principles, or way of life, to make this or that change in their internal life for the sake of their relations with us, or to speak our language.

We are not only Albania, but also the Balkans, and Europe. Just as we are interested in the good of Albania, we are just as interested in the Balkans and Europe. History has taught us that our destinies are linked with them for good and ill. We proceed from this when we desire to broaden and intensify Balkan cooperation and unification and integration in the processes of European security and cooperation.

Since the 10th Central Committee plenum, which laid down new directions for our foreign policy, no small results have been achieved in the expansion of our international relations, something which has exerted a positive influence on both the domestic situation and the position of our country in the world. Significant advances, not all of which shall I mention, have been made in bringing the country closer to Europe; expressed in the extension of political, economic, and cultural contacts, more frequent dialogue with many countries, and in achieving the better mutual acquaintance which is the initial basis for all fruitful cooperation.

At present, Albania has the role of observer at the CSCE. We are not satisfied with this position. I might add that this is an injustice and an attitude which does not conform either to the Helsinki Charter of the spirit of the CSCE.

When UN Secretary General Mr. Perez de Cuellar was in Tirana last May, I said to him that we have decided to join the processes of European security and cooperation, but we require a preparatory or transitional period to acquaint ourselves with the documents and acts which have been adopted, with existing practice in enforcing the various obligations, and—something very important—to prepare for the conclusion of the legal procedures that will be indispensable for this membership. This has been (?written down), and anyone who wishes can read it. We have now completed this process, however, and have completed it much faster that I thought and hoped. The free and pluralist elections for the People's Assembly close this process.

We have the right to ask concerning this behavior toward Albania—one wonders: Would 3 million Albanians upset the equilibrium and infect Europe in a community of 700 million people?

We invite those states that have not agreed to our full participation in the CSCE, for reasons that bear no relation to European security and cooperation, to be more realistic toward Albania.

Our country, just as it has embarked irreversibly on the road of democracy, is also advancing toward Europe with the confidence and will to be united and integrated within it. In the final analysis, we are asking for no special favor, except, as a European country, to have our place in Europe.

Regardless of our status in the CSCE, as an observer or a full-fledged member, we state that European security should be a general matter both for great and small, for both West and East. Our stand is that security structures must be built in a way which will create realistic possibilities to avoid not only large but small conflicts, and not only gunshots, but saber-rattling. We also think that genuine security cannot be achieved without all-round economic cooperation, which should lead to a narrowing of differences in economic development and the attainment of stable equilibria.

We consider the aid given by the West to the countries of the East to overcome the difficulties that have arisen as a result of the restructuring of their economies and the difficulties of their adaptation to market economies to be a stand benefiting Europe's future, and we hope that this aid will not be lacking in the case of Albania too.

As for the Balkans, we have striven for our region, as an inseparable part of Europe, to live in peace and tranquility, which have not always been stable and secure.

The process of Balkan cooperation has already taken its first steps in this direction. The fact that all the Balkan countries have expressed their desire and will to unite their efforts with the aim of extending cooperation to all fields is not only encouraging, but promising.

It is true that many problems have accumulated in the Balkans in the course of time, including some very complicated ones; however, the situation that has now been created in Europe and the world has also created an atmosphere and good conditions for solving these problems in a peaceful way.

We think that the contacts among neighboring countries which were made possible within the framework of Balkan cooperation, and the fruitful dialogue which is now going on, are continually building a terrain on which all problems preoccupying these countries may be considered bilaterally and multilaterally, and on which ways leading to acceptable solutions in the general interest may be found.

As for Albania, it will never lack goodwill and sincere efforts so that the progress of Balkan cooperation may advance, so that the Balkans may quicken their pace toward joining Europe.

In all the changes being made in the political system, the positions and rights of ethnic minorities which they have enjoyed until today will remain unchanged. Conditions will be created and guaranteed by law for them to preserve their language, culture, and history, and all their national identity. The comprehensive cooperation with our neighbors we want and for which we are striving will further extend their human contacts and communication with their brothers across the border. The Albanian state will adhere rigorously to its obligations and responsibilities arising from the CSCE Copenhagen Conference on ethnic minorities.

On the threshold of the elections to the People's Assembly, and as we approve the platform of our party for these elections, I would like to repeat once again: Our stand on the cause of Kosovo is constant and unchangeable. The situation in Kosovo is not a result of interference from the People's Socialist Republic of Albania or its territorial claims, as Yugoslavian propaganda blares forth. It is a result of the chauvinist policy of repression which Yugoslavia, and in particular Serbia, have continually pursued depriving the Albanian population of their national and democratic rights. We have supported and will support the demands of our Albanian brothers across the border, because nobody has the right to deny and violate them. No slanderous propaganda or denigration, from wherever it may come, will budge us from this standpoint, which is correct and in accordance with international law and the rights of peoples to enjoy the national and democratic freedoms belonging to them.

Dear comrades, the campaign for the 10 February elections is drawing near. The party and all its members must commit themselves with all their energies to the successful conduct of this campaign, so that the elections may mark a victory for the party and its candidates. There is no secret, specific, or mysterious method for achieving this. What is demanded is that we must establish ties with the masses of the people, gaining their confidence, and winning people's hearts. In the new political conditions which have been created, the Albanian communists, wherever they live and work, should demonstrate, as they always have done, that they are and will remain most faithful and resolute sons in serving the interests of the people. Our party must show that it is and remains the political force that has done and does everything for the workers, peasants, women, young people, and intellectuals, and for the defense of the homeland's freedom and independence.

Long live our party. Long live the Albanian people. [applause]

PDSh Repeats Call for Election Postponement

AU2712205090 Tirana Domestic Service in Albanian 1900 GMT 27 Dec 90

[Text] The Democratic Party [PDSh] organized a news conference in one of the halls of the Palace of Culture in the capital this morning, with the participation of Albanian and foreign journalists and others.

At this conference, members of the Initiating Commission for the creation of this party, answering the questions of those present, spoke about the Democratic Party's program, its activity since its legalization, and its representation in the elections for deputies to the People's Assembly on 10 February 1990, also repeating its familiar demand for the postponement of the elections.

Envoy: Food Lines Worse Than After War

AU2812100690 Vienna DER STANDARD in German 28 Dec 90 p 14

[Livia Klingl report: "Life in Bulgaria Is Deteriorating by the Day; Agricultural Country Lacks Foodstuffs"]

[Excerpt] Sofia/Vienna—"The economy is the worst area," the Bulgarians say. After Zhivkov was ousted they hoped that their economic situation would improve as a result of the beginning of democratization and the transition to a market economy. But the economic situation is deteriorating by the day.

"We are now having to pay taxes that passed us by for years," Toshko Toshkov, Bulgarian ambassador to Austria, says. Bulgaria was "the closest satellite of the Soviet Union," and now it has to pay for it. Entire industrial branches worked for the big neighbor. 70 percent of foreign trade was conducted with the USSR. Since the conversion of business to a dollar basis on 1 January economic relations between Sofia and Moscow have declined.

At the moment, however, the biggest problem is the supply of foodstuffs. "Who would have thought that Bulgaria, an agricultural country, would end up like this," the ambassador says. "Not even after the war did we have such lines of people." People in search of food wait for hours in front of the shops, which are empty; people who want to buy something beleaguer the black market sellers, who sometimes sell stolen state products, sometimes cheap goods from Turkey and from the equally poor Romania.

Some see sabotage by old communists resisting the market economy as the reason for the poor supply situation. Insiders, however, say: "There are simply no products there; that is the simple truth." [passage omitted]

'Radical' New Measures on Petroleum Jan 15

AU2812112990 Sofia BTA in English 0856 GMT 28 Dec 90

["Petrol Problem Remains"—BTA headline]

[Text] Sofia, December 28 (BTA)—According to a member of the leadership of the "Petrol" Company, no changes are expected in the prices of energy resources till January 15. But radical changes are expected to take place after this date, he points out in an interview for "ZEMEDELSKO ZNAME". Only 800 [metric] tons of petrol were provided yesterday, the daily needs being 5,000 tons. In the beginning of next year too, the resources will be extremely limited.

Last night the "Petrol" Company announced a new regimen of the work of the petrol stations. As of January 1 only the ration tickets distributed for private motor vehicles for the last quarter of 1990 will be valid. Private and official automobiles will be refueled at different petrol stations and priority will be given to the automobiles serving the social sphere. Priority will also be given to the automobiles of disabled persons. Sale of fuels in containers is forbidden.

The "Shipka" fuel ration tickets (1990 emission) will be invalid after January 1 as well as the fuel ration tickets for state and other companies and organizations. State automobiles, the automobiles of municipal and citizens' companies will be refueled only once up to 60 liters against payment.

Parliament Appoints New Chief for Television

AU2212150890 Sofia BTA in English 1439 GMT 22 Dec 90

[Text] Sofia, December 22 (BTA)—The Grand National Assembly today elected Mr. Ognyan Saparev, 48, president of the Bulgarian Television.

Mr. Saparev is the first non-party member to head the Bulgarian Television since it was established in 1959. He has graduated in Slavonic studies from Sofia University and is an authority on literary and film criticism, mass media and mass culture.

The television has been without a chief since July 1990, when the then president Mr. Pavel Pisarev resigned, bowing to pressure from striking students who also brought down the president of the Republic Mr. Petur Mladenov.

For a whole year now the political forces have been exerting pressure on national television, accusing it of bias. This has strained the atmosphere in the television itself and has resulted in acrimonious debates in it and about it.

"I am a sucker," Mr. Saparev said immediately after he was elected. "No one but a sucker can assume this responsibility at a time when Bulgaria is torn by contradictions and when no matter how it works, the television will inevitably displease some people."

Addresses Parliament

AU2712203590 Sofia DUMA in Bulgarian 23 Dec 90 p 1

[Plamen Milanov report]

[Excerpts] The new chairman of Bulgarian Television is Plamen Saparev, who on 22 December received the votes of 222 of the 276 deputies present in the Grand National Assembly. This marked an end to the issue that has occupied both the members of parliament and the electors for more than half a year. [passage omitted]

Saparev made an improvised declaration of his program in parliament. He declared that the problem of bread and circuses must be resolved without the bread suffering. In his opinion, television's role increases at times of crisis, it must be transmitted to every home at a higher

standard, and must perform the functions of integrating and educating the public. However, none of this depreciates the seriousness of the problems facing us. The television chief drew a comparison with one of the greatest marine disasters—the sinking of the "Titanic," when the ship's orchestra went on playing to cover the panic. Quite the reverse, Bulgarian Television must not increase the masochistic panic on our national ship, declared Mr. Saparev, who demonstrated his evident desire for changes in our national television. [passage omitted]

Former King Simeon Christmas Message Reported

AU2312190190 Sofia BTA in English 1825 GMT 23 Dec 90

[Text] Sofia, December 23 (BTA)—Exiled Tsar Simeon II wished Bulgarians a "Merry Christmas" in a televised interview aired today in the most popular TV views and news show "Every Sunday".

"If those who run the state now do not take specific measures, despair may descend on the country as people don't see the effect of the freedom which they greeted enthusiastically," Simeon of Saxe-Coburg and Gotha said. He voiced concern over the serious condition of the country which the Grand National Assembly can relieve by "fast action and clear laws."

"If everybody get down to work and decide to start working together, Bulgaria's future is secured," Simeon II believes.

He wished the Bulgarian people to trust the future, to trust Bulgaria's lucky stars, to forget about the dark and hard years and to look ahead.

Popov Holds Meeting on Economy With TU Figures

AU2712212790 Sofia Domestic Service in Bulgarian 2100 GMT 27 Dec 90

[Text] The country is in a disastrous situation. Production is expected to decrease 15-17 percent. The budget has been violated, and it appears that it will be impossible to implement it. Many deals have not come through. Those were the general conclusions made at today's meeting of Prime Minister Dimitur Popov with representatives of production circles, the employers, and the trade unions.

The participants discussed the possibilities of activating the tripartite agreement in Bulgaria, seeking roads to most painlessly overcoming the economic crisis, and to preserve social peace in the country.

Minister Ivan Kostov informed the participants of the recommendation of the IMF, according to which if Bulgaria does not present a budget by mid-February, the country will be excluded from the financial aid system. The participants in the meeting expressed opinions on this matter.

Dimitur Ludzhev, deputy chairman of the Council of ministers, pointed out that experts are preparing a reply to the recommendations of the IMF, and that certain disagreements with this organization's views exist.

On behalf of the Confederation of Independent Trade Unions in Bulgaria, Prof. Krustyu Petkov said that the confederation will refrain from national strike actions, and that it is prepared to sign an agreement on social peace in the country.

The participants in the meeting advocated greater glasnost for the problems resolved by the three sides, to tell the Bulgarian people the truth about what could happen in the future.

The next working meeting will take place on 29 December.

It is expected that by the beginning of January 1991 an agreement will be signed between the government, the employers, and the trade unions.

TU Leader Petkov on New Talks With Government

AU2712125390 Sofia Domestic Service in Bulgarian 1000 GMT 27 Dec 90

[Interview with Professor Krustyu Petkov, chairman of Confederation of Independent Trade Unions in Bulgaria, by Stefan Donchev, in Sofia on 27 December—recorded]

[Text] [Donchev] It has become clear that talks, or rather negotiations, will begin this afternoon between the Confederation of Independent Trade Unions in Bulgaria and the government. I am here in the confederation's offices with Mr. Krustyu Petkov, chairman of the confederation. Mr. Petkov, at the last news conference you answered one of the questions by saying that you will not pressurize the new government. Who called for these negotiations?

[Petkov] The talks held before Christmas took place at the initiative of Prime Minister Dimitur Popov. He invited the members of the tripartite commission representing the government, employers, and trade unions, and this marked the start of the new round of talks with Bulgaria's coalition government. We expect the second meeting this afternoon to deal with more specific issues.

[Donchev] What specific demands will you make of the new government?

[Petkov] We have agreed to discuss two issues. One is the IMF memorandum and the conditions it sets for our country; we want to get a concrete answer on this matter and also state our own viewpoint. This relates not so much to the conditions that brook no delay and are subject to discussion, but to the other conditions connected with the inflationary pressures, for which there are various alternatives in our view. The second issue concerns the measures in the economic field and the market reform, which includes price reform. We have

already exchanged views on this with the former government. What interests me is not only the rise in prices, but also the guarantees for compensation and preventing inflation developing, as well as guarantees against the spread of mass unemployment, and certain matters relating to privatization. This is the package of issues up for discussion.

Podkrepa's Trenchev Defendant in Arson Trial

AU2612152590 Sofia DUMA in Bulgarian 20 Dec 90 p 1

[Katya Karaguyarova report: "Trenchev Departs for the United States Despite Pending Investigation"]

[Text] Doctor Konstantin Trenchev, chairman of the Podkrepa Labor Confederation, who is a defendant in the case of the Bulgarian Socialist Party Headquarters arson, is expected to depart for the United States although this act is against the procedure for bail, which should prevent him from leaving the country.

Trenchev is expected to spend the Christmas holidays in the United States for the purpose of seeking assistance for Bulgaria.

Trenchev is subject to the most tolerant of bails—namely the obligation of signing a declaration that he shall not leave his place of residence without the authorization of the legal authorities. Considering that the investigation is pending, he should submit a written application to the investigation organs and the Sofia City Public Prosecutor's Office requesting for authorization to leave the country.

According to Ana Karaivanova, deputy City Public Prosecutor, Mr. Trenchev seems to consider himself above the law and refuses to submit the aforementioned application. Karaivanova declared her surprise at the news that yesterday the Chief Prosecutor's Office authorized Trenchev's departure for the United States for the period from 20 December 1990 to 20 January 1991.

Mrs. Karaivanova stated: I consider it inadmissible that I should learn from the press, the radio, and television when a defendant is leaving the country. The violation of the procedure is absolutely illegal, she claims.

Evidently, the Chief Prosecutor's Office has authorized Trenchev's departure relying on the defendant's conscientiousness, but has not taken into consideration the fact that his absence is likely to complicate the progress of the investigation. According to Ivan Shopov, investigating judge from the Chief Investigation Department, Konstantin Trenchev's presence is required for further procedures and his absence for a whole month would affect the progress of the investigation.

I would like to refute Doctor Tenchev's statement to some mass media, according to which the Podkrepa Labor Confederation is supposed to be on trial, Mrs. Karaivanova added. This is not true. Only Trenchev as an individual, and not the organization whose chairman he is, is subject to legal prosecution..

Independent TU Confederation Postpones Congress

AU2712203790 Sofia DUMA in Bulgarian 23 Dec 90 p 1

[Ekaterina Popova report]

[Text] The Confederation of Independent Trade Unions in Bulgaria [KNSB] will hold its extraordinary congress in the second half of 1991. The members of the KNSB Coordinating Council reached this compromise decision on 22 December after five hours of discussions.

According to the confederation's spokesman Stoyan Nikolov, the chief disagreements were concerning whether it was necessary to hold an extraordinary congress at all. The motion was narrowly passed by a majority of seven votes. It did not become clear who actually was against the congress, because this idea is supported in principle by both the "factions" within the Coordinating Council.

At his meeting with journalists on 30 November, the confederation's chairman, Professor Krustyu Petkov, stated that the congress was necessary because it would be "a last attempt to eliminate the middle-ranking structures within which the nomenklatura has become most firmly rooted." At the same time, the trade unions that are most dissatisfied with the policy of the confederation's Executive Committee, namely the federations of the independent trade unions of workers in agriculture and the trade union organizations of the forestry and woodworking industries, have insisted several times recently on calling such a congress to make personnel changes in the KNSB leadership and "to finally depoliticize the trade unions."

Ready To Offer 250-Day Truce

AU2712203990 Sofia DUMA in Bulgarian 24 Dec 90 p 1

[Ekaterina Popova report]

[Text] The Confederation of Independent Trade Unions in Bulgaria [KNSB] is ready to accept Prime Minister Dimitur Popov's proposal concerning 250 days of civil peace. During this period, the confederation will not engage in organizing national strikes. However, this does not mean that a "veto" will be imposed on protest actions.

The confederation's Coordinating Council adopted this stance at its session on Saturday 22 December. The problem will be discussed in more detail during the first official talks between the trade unions and the new government on 27 December.

One of the main topics at the forthcoming talks will be the KNSB draft document for a price reform, which envisages as a first step increasing the cost of living to a

certain extent, with a corresponding indexation of incomes. After this, a gradual freezing of prices and incomes is proposed.

The confederation will also present the Council of Ministers with prepared documents on the issues of privatization and employment. These form part of an overall package of KNSB proposals which, as Prof. Svetoslav Stavrev, KNSB deputy chairman, told the journalists, had been prepared long before the new cabinet was formed.

National Employers Council Established

AU2712204290 Sofia TRUD in Bulgarian
24 Dec 90 p 2

[Text] A new actor has appeared on the Bulgarian stage, one who is making a serious bid for the star role. A National Employers Council [Natsionalen suvet na rabotodatelite] has been formed. It is a consultative working body of the employers' organizations in the Republic of Bulgaria, independent of their industrial branch, professional, or territorial affiliations, as well as the form of property. Seven organizations are members of the council: the Bulgarian Economic Chamber, Bulgarian Chamber of Commerce and Industry, National Alliance of Economic Leaders, the Union for Citizens' Economic Initiative, the "Revival" Private Producers' Alliance, the Union of Labor Production Cooperatives, and the Union of Labor Production Cooperatives of Invalids and Vocational Rehabilitation Companies. The council is also open to other participants who accept its statute.

The members of the new council supported its consultative nature by adopting the formula that its decisions should be made by consensus. The conviction that economic logic is one and the same, and has no separate laws for state and private companies is a prerequisite for unanimity.

The national council aims to unite the efforts of the Bulgarian employers in defending their interests before all organs, organizations, institutions, and persons at home and abroad, as well as defending them in their relations with the state and workers' organizations. The council will assist in settling labor disputes by implementing collective negotiations at all levels. It sets itself the task of creating conditions for preparing its members to take part successfully and competently as a party in collective labor negotiations and in concluding collective labor agreements. The new consultative organ will work to improve the conditions governing business activity, including the presentation of the employers' demands for changes in the legislative basis, mainly in the fields of the economy and labor law relations. The council will develop cooperation with kindred organizations and persons abroad, and will represent the Bulgarian employers at the International Labor Organization and other international organizations.

People's Party Holds National Conference in Sofia

AU2712204890 Sofia DUMA in Bulgarian
24 Dec 90 p 2

[Text] The Bulgarian People's Party held a national conference on 23 December in the People's Palace of Culture in Sofia. The party is a descendant of the People's Party formed in 1894, and it was restored on 21 July 1989 in Salzburg. As a right-of-center party, the Bulgarian People's Party is not a member of the Union of Democratic Forces, but supports the principles of the Turnovo Constitution, and believes that the Bulgarian Communist Party, together with the other parties of the Fatherland Front, should be made to render account for what occurred during the period following 9 September 1944.

'Chernobyl' Accident Protection Society Founded

AU2112225490 Sofia DUMA in Bulgarian
22 Dec 90 p 2

[Yuriy Popov: "Bulgarian 'Chernobyl' Society Found"]

[Text] Chernobyl was not simply an accident. It was a global catastrophe, Professor Lev Mikhaylovitch Khitrov, head of the laboratory on radiogeochemistry at the USSR Academy of Sciences' Institute on Geochemistry and Analytic Chemistry, said. At a meeting organized by the Ministry of Environment, the USSR scientists briefed the participants on research after the catastrophe in Chernobyl, and reported that over 4 million people in the region have been subjected to radiation of 60 curies per square meter. In Bulgaria radiation was 1.5 curies. He admitted that the USSR did not grasp in time the danger of the so-called "hot particles," and said that Bulgarian scientists' research in this area is of "world class." The study of these particles is of special importance, because after a while they could, under the influence of various factors, begin to disintegrate and create a "new Chernobyl." Therefore, cooperation between scientists from various countries could help to reduce the negative consequences of a nuclear accident.

Prof. Khitrov is vice president of the "Chernobyl" Society, which is a nongovernmental organization created with a view to assisting those who have been afflicted and avoiding similar catastrophes in the future. At the proposal of Prof. Iliya Belokonski, the participants in the meeting, representatives of our scientific public, founded the Bulgarian "Chernobyl" Society, which will make efforts to decrease the danger of radiation on our people and environment.

Deputy Foreign Minister Reviews Progress in 1990

AU2712133590 Sofia BTA in English
1123 GMT 27 Dec 90

["Bulgarian Foreign Policy: Ambitious Progress in 1990"—BTA headline]

[Text] Sofia, December 27 (BTA)—Balkan and European realities and national security concerns are the three main areas of Bulgaria's foreign policy which remain this country's top international priorities, writes Mr. Enyo Savov, deputy minister of foreign affairs, in an article contributed to "DUMA."

Mr. Savov surveys the progress of Bulgaria's foreign policy in 1990. As he sees it, the outgoing year witnessed the beginning of the shaping and implementation of a foreign policy which is modern in its character and content. In all its foreign policy steps, Bulgaria was guided by a sole desire: to secure the most favourable external conditions for the formation of a civil society in this country, Mr. Savov points out.

He emphasizes that 1990 ushered in new principles in Bulgaria's foreign policy. It was based on the national interests of the Bulgarian people rather than on ideological or any other short-term considerations.

Mr. Savov lists the unprecedented events in Bulgaria's international affairs in the outgoing year: the first ever visit by a Bulgarian head of state to the White House and to the UN headquarters, the first ever visit by a U.S. secretary of state to Bulgaria, the first ever visit by a Bulgarian foreign minister to the Republic of Macedonia, the first ever meeting between the ministers of foreign affairs of Bulgaria and Saudi Arabia, active relations with the Council of Europe, Bulgaria's admission to the International Monetary Fund and the World Bank, the establishment of diplomatic relations with South Korea, Oman and the Vatican and the restoration of diplomatic links with Israel and Chile. These events are evidence of a changing dynamics and scope of Bulgarian diplomacy, Mr. Savov writes.

To consolidate its national security, Bulgaria orients itself towards the emerging Europe-wide security structures.

Mr. Savov emphasizes in his article that during the outgoing year Bulgaria sought to keep its old allies and partners. Efforts were made to promote further relations with the USSR, the countries of Eastern Europe, Asia, Africa and Latin America.

A lot was done this year to remedy the defects in the structure and the personnel of the Ministry of Foreign Affairs, Mr. Savov writes. A diplomatic service bill will go before parliament soon.

Owing to Bulgaria's dire financial straits, the maintenance expenses on the Bulgarian diplomatic missions abroad were cut down in 1990. Nineteen embassies and one consulate general were closed down, and more than 200 diplomats and 60 technical staff were laid off. But there is still room for improvement to help Bulgaria meet the most rigorous international standards in this area, Mr. Enyo Savov writes.

Techno-Scientific Agreement Signed with USSR

AU2712153490 Sofia DUMA in Bulgarian 23 Dec 90 p 1

[Katya Trendafilova report]

[Text] The protocol on cooperation between the USSR and Bulgaria for the next five years covers over 40 subjects for joint developments in the fields of science and technology.

Highly efficient manufacturing processes for food products; new materials and technologies for their production; and resource-saving and ecologically pure processes in industry—these were the three main spheres for future joint research. After the two countries sign the agreement on commercial payments, the specific mechanisms for cooperation in the technological field will be finalized.

The protocol also envisages a joint fund for developing science and technology. Lukanov and Ryzhkov reached agreement in principle on establishing this fund about two months ago. It now has to be worked out how the money for this fund is to be gathered and how it will be utilized for large-scale scientific research.

Sergey Yefimenko, deputy chairman of the USSR State Committee for Science and Technology and chairman of the Soviet section of the joint commission, signed the agreement for the Soviet side. The Bulgarian side was represented by Lyubomir Dachev, deputy minister at the previous Ministry of Industry and Technologies. Sergey Yefimenko also met Minister Pushkarov, who heads the new Ministry of Industry, Trade and Services.

Miklosko Opposes Extension of Presidential Powers

AU2712142390 Bratislava NARODNA OBRODA in Slovak 22 Dec 90 p 3

[Interview with Slovak National Council Chairman Frantisek Miklosko by Alena Melicharkova; place and date not given: "I Believe in Parliamentary Democracy"]

[Excerpt] [passage omitted] [Melicharkova] Polemics in political but also public life have been stirred up by the recent speech of the CSFR president in which he announced that he would propose laws reinforcing his powers. What is the opinion of the highest-ranking official in Slovakia on this? Will it have any effect on the Slovak parliament?

[Miklosko] I have now received first information on what kind of powers the president had in mind. Personally I regard the proposals as an effort to create a strong presidency, such as existed in the Czechoslovak Republic between the two world wars. The Federal Assembly will not accept this, in my opinion, although I am not authorized to speak on its behalf. I do not see any reason for the existence of a strong presidency. Personally I believe more in parliamentary democracy. [passage omitted]

Parties Assess President Havel's Performance

LD2712200890 Prague CTK in English 1732 GMT 27 Dec 90

[Text] Prague Dec 27 (CTK)—The Democratic Party of Slovakia is convinced that it is largely thanks to President Vaclav Havel that Czechoslovakia has returned to the international scene and become a serious partner.

Its view was voiced in a poll conducted by CTK on the first anniversary of the election of Vaclav Havel, a former dissident, as the president of Czechoslovakia on December 29, 1989.

The Christian Democratic Movement (KDH), a Slovak party represented on the Federal Government, believes that Vaclav Havel is not a nonpartisan president because he has made clear on many occasions his support for the Civic Forum [OF] (the largest political movement in the country which he helped to found last year). KDH regards Havel's speech in the U.S. Congress last February as his greatest act as president last year.

Film director Jiri Svoboda, chairman of the Czech and Moravian section of the Communist Party, hails Vaclav Havel as a convinced humanist and democrat but is "bewildered" by the president's demand made in the parliament on December 10 for an extension of his powers.

The movement for Self-Government Democracy-Society for Moravia and Silesia appreciates Havel's statement that "the Moravians must fight themselves to win their identity" (the region was autonomous up to 1949 when the communist government abolished its status and some political forces in the area are now striving to restore this status). However, the movement deplores that "practically no progress has been made towards materialization of these words during President Havel's term to date."

Other parties represented in the Federal Assembly, especially the OF, the People's Party, the Public Against Violence [VPN] and the Slovak National Party [SNS] have not answered in the CTK poll.

Communists Claim Leadership 'Betrayed' Revolution

LD2712231190 Prague CTK in English 2027 GMT 27 Dec 90

[Text] Prague Dec 27 (CTK)—Saying the goal of the 1989 November revolution was to restore civil society but only by consensus, communist parliamentarian Miroslav Ransdorf said at the party's weekly briefing today that the Czechoslovak leadership has "betrayed the ideals of November 17".

The party's leading economic specialist Zdenek Haba described the government's strategy for economic reform as a transformation to Western-style capitalism. Such a system corresponds neither to Czechoslovak conditions nor to the Czechoslovak mentality, according to Haba. The communists said they do not want only to criticise, citing their support for a "social market economy" as long as it takes account of "the human factor".

Chairperson of the Czech Communist Party Jiri Svoboda said the party is seeking a constructive approach to policy-making, pointing out the party's alternative to the government's proposal for reform of basic economic laws.

President membership in the Communist Party stands at about half a million members in the Czech Republic and 150,000 in Slovakia, about one million less than before November 1989.

Minister Klaus Explains Price Liberalization

LD2712231790 Prague Domestic Service in Czech 1730 GMT 27 Dec 90

[Report on interview with Federal Finance Minister Vaclav Klaus with unidentified reporter on 27 December; place not given]

[Excerpts] Federal Finance Minister Vaclav Klaus and his deputy for prices Vladimir Rudlovcak answered, in an interview today for CTK, various questions concerning liberalization of prices which will be implemented from 1 January. The interview is summed up by Jaroslav Skalicky. [passage omitted]

[Skalicky] Minister Klaus named three principal anti-inflation measures. So-called maximum prices are going to be set for a very limited assortment of goods—for instance food products and some basic foods such as flour, milk products etc—and they will be expressing a

social function of price regulation. Prices of other kinds of goods will be allowed to rise, but only if increased costs can be shown. The third case concerns a group of products whose prices can be increased providing the increase of prices is registered.

As Minister Klaus stressed, it is in essence a certain slowing down of price movement. All the regulation measures provide us, consumers, with a certain assurance. And at the beginning of liberalization process, these measures are no doubt necessary and justified.

Klaus Says Price Reform To Start 1 Jan

LD2712191790 Prague CTK in English 1550 GMT 27 Dec 90

[Text] Prague Dec 27 (CTK)—Supply and demand will start determining prices in Czechoslovakia from the beginning of next year after four decades of their complete regulation by the state.

The changes will be due not only to the liberalization of prices, with some degree of state regulation, but also to the crown's devaluation which will result in higher-priced imports, and to unification of the sales tax, Finance Minister Vaclav Klaus told CTK today.

Klaus noted that there will be four basic sales tax rates, of 0, 12, 22 and 32 percent, but the population will benefit from these changed rates to the amount of 4,500 million crowns.

He said that even the limited degree of continuing price regulation by the state is acceptable only for a very limited period of time. "We now have problems with the IMF because our price regulation is just within the limits of acceptability and the IMF accepts it as a short-term measure... however, we must prevent initial sudden spiralling changes which could lead to an increasing inflation rate. This is something we do not want," Klaus said.

He expects a decreased consumer interest in some goods in the first days of next month because buying has been very intensive in expectation of price increases from the beginning of next year. It is a question how long the consumers will hold out to force manufacturers to reduce prices, the minister said.

Director Interviewed on Intelligence Service

AU2712190890 Bratislava NARODNA OBRODA in Slovak 21 Dec 90 pp 1, 6

[Interview with Jiri Novotny, director of the Office for the Protection of the Constitution and Democracy, by NARODNA OBRODA reporter Branislav Janik; place and date not given: "Sharp Knife Under Control"—first paragraph is NARODNA OBRODA introduction]

[Text] Mr. Jiri Novotny was recently appointed the fourth director of the Office for the Protection of the Constitution and Democracy. He joined the office in May, and although he is only 32 years old, prior to November he worked at several jobs—from movie director's assistant to janitor in St. Vitus Cathedral to staff journalist of the weekly, FORUM. He has held the last job since January. [as published] (At the time of the editorial office deadline, CTK released the news that CSFR Federal Interior Minister Jan Langos issued an order abolishing the Office of the Federal Ministry of the Interior for the Protection of the Constitution and Democracy and, by the same order, he established a Federal Information Service).

[Janik] Many questions regarding this institution probably arise because the bill precisely delimiting the operation of the Office for the Protection of the Constitution and Democracy has not been discussed as yet in the parliament. What is the present situation like?

[Novotny] The bill already prepared by my predecessor is still at the stage of comments and suggestions in the appropriate institutions. Nonetheless, at present, the important thing for me is that we agreed with the Federal Ministry of the Interior that even according to the new bill, the office would be controlled by the parliament and separated from the Federal Ministry of the Interior. It contains some changes. For example, the office will not operate in the drug business as such. That will be in the jurisdiction of the federal criminal police or republic police corps.

[Janik] The federal minister of the interior recalled that your predecessor also used the argument that his activity led to the disintegration of the office. Is your present cooperation with the minister good?

[Novotny] Yes, it is. We agreed on how to proceed, we specified the number of employees, their distribution on the territories of both republics, on the system of command but of control as well. The problems arising so far originate in the internal structure, flow of information, number of staff and offices. I am convinced that the originally planned number can be reduced. We are thinking of approximately one thousand employees in the entire republic.

[Janik] Can you, at least briefly, characterize the future role of the no longer Office but the Federal Information Service?

[Novotny] There are two important functions. The first: The Federal Service collects and evaluates information important for the protection of the constitutional system, defense, and security of the state, for protection of human rights and freedoms, and at the same time, it detects crimes against the state security. The second function is obtaining information on activities of foreign intelligence services. We will also provide information to constitution officials. And another thing: The Federal Service assists in controlling the protective system in importing and exporting things and technologies subject to special limitation. Similarly, we assist in cases of terrorism by obtaining, collecting, and evaluating information concerning these cases. In addition, we assist in

protecting state secrets. We agreed on this with Minister Langos, but some changes may still be made during the discussions in the committees and in the parliament.

[Janik] It may be surprising for the public, brought up on thrillers and various rumors, not to speak about the things coming to light regarding the operation of the State Security, that the office does not intend to use the agency network. Can you explain this in some detail?

[Novotny] It really will not be used in the traditional sense of the word. Thereby, I mean the network formed by the communist regime. Even if we considered the problem purely pragmatically, 90 percent of it is useless because it was orientated to areas without interest to us. On the other hand, with the change of policy toward many dictatorships in the Third World, we can expect a possibility of terrorist actions, and if our employee gets an assignment to infiltrate such an organization, in my eyes, he is an agent. Nevertheless, we do not intend to build a mass network of agents, like those used by the State Security on basis of compromising materials etc., i.e., various informers. We intend to proceed with the maximum measure of openness, for instance, utilizing media.

[Janik] What about the traditional methods of work—wiretapping, shadowing...?

[Novotny] We do not eavesdrop on anybody even now, for we are not permitted to do so. We could do it only with a prosecutor's permission. I have my own negative experience with bugging. Thus, nobody can suspect that I would want to do so willfully and without any control like the State Security used to do it. In the future, these means will be subjected to so-called authorizations. Should an office employee, on basis of his information, reach the conclusion that a serious problem exists requiring the use of these means, he will turn to a judge (the level of the judge will be given by a law) and he, as an independent institution, will assess whether our signals suffice to warrant using special technology and accordingly, he either permits it or denies his permission. If he grants the permission, then always for a specified time period. This model works in other states and does so well. I am convinced that it will prove itself also in Czechoslovakia.

[Janik] How will you deal with the burning issue—the activity of former State Security members who passed the vetting but, after all, they worked....

[Novotny] I do not know a single case of a State Security member who did not pass screening and still works here. At the same time, I believe that the vetting here was very strict, literally hard, the hardest in the entire sector. Right then, those who worked on the so-called internal enemy had to leave. Nevertheless, as I said, we want to reduce the number of employees, so other former State Security members will leave, but including those of the new people who have not proved themselves.

[Janik] Last question—What is the philosophy with which you came to the office and, as I know, accepted the post after eight days of deliberating.

[Novotny] Every state needs a functional and effective intelligence service. I would compare it to a sharp kitchen knife useful in the household but potentially dangerous. Precisely this is the reason for this tool to be under a constant control. But if we made it dull beforehand, it would be useless. The Federal Intelligence Service must be operational, open to public control, and it must not concentrate uncontrollable power.

State Enterprise Organization Transformed

AU2712195690 Prague HOSPODARSKE NOVINY in Czech 21 Dec 90 p 2

[CTK report: "New Community of Entrepreneurs"]

[Text] On 19 December of this year, the Association of State Enterprises and Corporations was transformed into the Union of the Employer Associations in the CSFR [Unie zamestnavatelskych svazu CSFR]. Hence, according to the intentions of the economic reform, the Association of State Enterprises and Corporations was transformed into a community of entrepreneurs or, as the case may be, employer societies and associations open to all forms of ownership and all forms of entrepreneurship. Beside the present branch and trade sections of the association, other associations and societies also are founding members of the Union. The seat of the Union is in the Trade Ministry building, Staromestske namesti No. 6, Prague 1, 110 01, tel. 232-5715.

Press Comments on Shevardnadze's Resignation

AU2712140990

[Editorial Report] Several Czech and Slovak newspapers on 22 December publish commentaries on the resignation of Soviet Foreign Minister Eduard Shevardnadze, viewing it from different aspects: one seeing it as weakening the American position in the Gulf, another associating it with the struggle between the republics and the center in the Soviet Union, and others seeing Shevardnadze as the victim of the conservative forces.

Prague MLADA FRONTA DNES in Czech on 22 December on page 5 carries a 500-word Milan Vodicka commentary entitled "USSR-United States: Before the First Test." The commentary deals with the possible impact of Shevardnadze's resignation on the development of the Gulf crisis.

Vodicka says that, despite James Baker's assurances that the Soviet foreign minister's resignation will not have a negative influence on the situation in the Gulf, "there exist good reasons" for believing the opposite. Vodicka points out that, with Shevardnadze's departure, "Washington has lost perhaps the best Soviet advocate of a tough policy against Baghdad" and that it was precisely the criticism of Shevardnadze's pro-American stand on

the Gulf crisis which was "one of the secondary reasons for his departure." Vodicka continues: "Now as the ultimatum of the UN Security Council is drawing to an end Saddam Husayn could not possibly receive a more hopeful signal. He is going to interpret the secondary reason [for Shevardnadze's departure] as the main reason because he wants to believe that the edge is being taken off the threat from the outside. This is happening at a time when President Bush wants Husayn to believe the exact opposite. Also, let us not ignore the inconspicuous yet important role played by Shevardnadze, in the name of the USSR, in the anti-Iraq coalition. Soviet support was of key significance for U.S. diplomacy because it allowed Washington to present the crisis not as a dispute between itself and Baghdad but as one between Iraq and the world. Soviet-American relations are now facing the first test of their strength in the 'post-Shevardnadze era.' Were the Soviet 'fig leaf' now to disappear, the Americans would have to reckon with political complications."

Vodicka expects that, after Shevardnadze's resignation, "calls for a political solution" to the Gulf crisis are likely to be "heard more often" from the USSR: "First they will sound like an advice but, later on, they may well become more categorical. Should Yevgeniy Primakov—a man who knows Husayn very well and who recently returned from Baghdad with the message that the world should help Saddam save face—really become Shevardnadze's successor, the Iraqi strong man might well see this, perhaps erroneously, as another hopeful signal and a good reason not to take the Americans seriously."

In concluding Vodicka suggests that Saddam himself could easily support such a development in the USSR by releasing all Soviet hostages remaining in Iraq.

Bratislava NARODNA OBRODA in Slovak on 22 December on page 3 carries a 700-word Ivan Horsky commentary entitled "Democracy In Danger." Horsky regards Shevardnadze as a "political victim of the concentrated offensive launched by conservative forces beyond our eastern border, an offensive which is reminiscent of the period immediately before the fall of one of Gorbachev's predecessors, N.S. Khrushchev, who also made an attempt to reform the Stalinist system." The bulk of Horsky's commentary is devoted to Mikhail Gorbachev's "maneuvering" in the face of the conservative forces' offensive. He concedes that Gorbachev's efforts to concentrate power is his own hands are motivated by the "good intention" to "prevent the worst" and "save as much as he can of his life's work." Horsky warns, however, that Gorbachev's policy could "destroy the very young shoots of democracy" in the Soviet Union. As he points out, "the road to hell is paved with good intentions."

Bratislava VEREJNOST in Slovak on 22 December on page 4 carries a 500-word Jozef Uvacik commentary entitled "What is Hidden Behind Shevardnadze's Resignation." Uvacik voices the "speculative view" that the Soviet conservatives' attacks on Shevardnadze may not have been the actual reason for his resignation but that the "true reason could be sought in his native Georgia." As Uvacik points out, Georgia wants to secede from the Soviet Union and, as a major Georgian politician, Shevardnadze "faces a choice—either to join the Georgians or support central power." According to Uvacik, "some observers already see in Shevardnadze the future president of Georgia."

Prague LIDOVA DEMOKRACIE in Czech on 22 December on page 2 carries a 700-word Ota Vaclavik commentary entitled "Political Tremors in Moscow." Vaclavik says that, after Interior Minister Bakatin, Shevardnadze is the second liberal-minded minister to leave his post following an attack by conservative forces. He is resigning at a time when "the Soviet Government and M. Gorbachev, in particular, can least afford to lose him." There exist two versions of the motives for Shevardnadze's step, according to Vaclavik. According to the first version, Shevardnadze wanted to protest against Gorbachev's "insufficient protection" of Shevardnadze's own policies and against Gorbachev's growing concessions to conservative forces. According to the second version, Shevardnadze wanted to show that the country is facing the threat of a dictatorship and "arouse democratic forces from their lethargy." In his commentary, Vaclavik also explains why Shevardnadze's policies are resented by "Soviet conservative circles." He says that representatives of the party apparatus, of the Army, and the KGB "dislike" Shevardnadze because his foreign policy stopped treating the West as an "imperialist threat," because it helped bring about real disarmament, because it made the unification of Germany possible, and because Soviet troops are being gradually withdrawn from East European countries.

Refugee Status, Accomodation Described

LD2712234890 Prague Domestic Service in Czech 1730 GMT 27 Dec 90

[Interview with (Karel Freund), director of the Passport and Aliens Office of the Federal Ministry of Interior, and (Oldrich Niederle), member of the Secretariat of the Government Commissioner for Refugees, by Milada Richterova; place and date not given—recorded]

[Text] [Richterova] As the new year approaches, a possible wave of refugees from East European countries, above all from the Soviet Union, is being discussed more and more. One of the institutions dealing with questions concerning refugees is the Passport and Aliens Office of the Federal Ministry of Interior. What will be the criteria for granting refugee status?

[(Freund)] The person in question should be able to prove justified fear of persecution because of his race, religion, nationality, social group, or for his political conviction. Other criterion are humanitarian reasons.

[Richterova] Are you also in charge of border crossings?

[(Freund)] Besides border and customs guards, new departments are established now to deal specifically with questions concerning refugees—this means that anybody who applies at a border crossing for refugee status will be given the first interview there, on the basis of which it will be decided if he is to be allowed to enter our Republic or not.

[Richterova] Once the refugees get on the territory of our state they will be dealt with by people organizing so-called refugee camps. Mr. (Oldrich Niederle) is here with us. How many refugees are we presently able to take in, take care of, and help?

[(Niederle)] We are capable of taking in 3,000 refugees on the entire territory of our Republic.

[Richterova] Can you tell me how many refugees are today on our territory?

[(Niederle)] It is about 1,100 people, but it fluctuates, so I cannot give you the exact number for the territory of the Czech Republic.

[Richterova] Are you preparing new camps?

[(Niederle)] We are looking for them, and also some are being offered to us by enterprises, and as a result of our talks with these enterprises, on the basis of economic incentives, economic agreements are being concluded. I can give you an example of the Stavby Silnic and Zeleznic enterprise [Construction of Roads and Railways] in Usti nad Labem, where we acquired a building with a capacity of about 400 places. It will be used from January next year to house refugees.

State Bank Sets Crown-Dollar Rate 27 Dec

LD2712190590 Prague CTK in English 1508 GMT 27 Dec 90

[Text] Prague Dec 27 (CTK)—The State Bank of Czechoslovakia announced today that the new exchange rate of the Czechoslovak currency will be 28 crowns to one U.S. dollar for both commercial and noncommercial payments as well as tourism as of tomorrow.

The crown has thus dropped by some 17 per cent against the dollar for other than tourist payments while rising by some 12 per cent in tourist exchanges.

As of next January 1 the bank will fix the Czechoslovak crown rates daily, on the basis of supply and demand on the money market. The bank will seek to stabilize the crown by restrictive monetary policy and interventions in the market.

The discount rate is being raised to 10 per cent from the same date, with a maximum permissible deviation of 14 percent, i.e. the maximum interest rate on credits will be 24 per cent.

Meciar Says No Plans To Close Bohunice Yet

AU2712114590 Vienna DIE PRESSE in German 21 Dec 90 p 5

[Interview with Slovak Prime Minister Vladimir Meciar by Hubert Margl; place and date not given: "Austria's Help Would Be Symbolic"]

[Text] [Margl] A group of Austrian experts has made a devastating assessment of the Slovak nuclear power plant in Bohunice. What is your attitude toward Chancellor Vranitzky's demand to close down the plant, located only 55 km from the Austrian-CSFR border, immediately?

[Meciar] For the Slovak Republic, which will have independent authority for its nuclear power plants as of 1 January, the safety of its own population is the most important thing. Four international inspections were made in Bohunice, but only the commission from Austria proposes to close down the plant.

It is certain that the planned period of operation of the power plant will not be exploited to the full. The plant will be permanently checked by at least three institutions as of now. As soon as an immediate threat to the life and health of the population develops, the plant will be closed down.

However, this cannot be done from one day to the next. First, the question of substitute resources for electrical energy must be solved.

[Margl] Chancellor Vranitzky did promise help with deliveries of electricity.

[Meciar] Even though Austria is offering help, it has problems itself with its electricity facilities and transport. Austria's help would be more symbolic than real.

I believe that our two countries should be interested in the completion of the Gabcikovo-Nagymaros power plant on the Danube. There is goodwill on the Slovak side. The problems are situated in Hungary. For us it is important that this hydropower plant is completed. By doing so we could establish substitute sources of electricity.

[Margl] Does this mean that Bohunice could be closed down if Gabcikovo is put into operation?

[Meciar] No. Substitute supplies could merely accelerate the decision on closing down Bohunice. However, if the situation there deteriorates before Gabcikovo is completed, it is clear that we have to close down Bohunice. Safety has priority for us.

[Margl] What is the originally planned period of operation of the power plant?

[Meciar] According to experts, Bohunice could be operated for another three to five years.

[Margl] If you closed down Bohunice today, would there be an emergency concerning energy in Slovakia?

[Meciar] It must be expected. Even with Bohunice Slovakia has an energy deficit. And this would only increase if the power plant were closed down.

However, if we have to take this measure, we will have to ask for help. And this help does not come free, it is expensive.

[Margl] Do you not expect any help from the EC?

[Meciar] So far Slovakia has paid a relatively high price for Europe. We have closed down our armament industry, because it does not correspond to the new relations between the states. And this fact has not been recognized by Europe.

Now we are requested to limit our energy resources. We will do so, if safety requires it. But we will not do so on the basis of demands by politicians.

[Margl] Does Slovakia support the expansion of nuclear energy?

[Meciar] Because of the lack of alternatives, we have to focus on nuclear energy, but on totally different types of power plant, namely West European ones.

[Margl] In Austria it has repeatedly been demanded that the CSFR reduce its enormous energy consumption by means of more efficient use of energy.

[Meciar] This is not possible in the short term. We are considering thrift measures. But one needs the appropriate technical equipment to implement them.

Restructuring in Slovakia will be carried out step by step. In view of the transition to the market economy, the conversion from armament to civilian production, and the disintegration of CEMA, should we, in addition, destroy our entire energy sector to please others? This would be too high a price for us. We cannot afford a gesture of goodwill.

Calfa, Nigerian Minister Discuss Oil Supplies

AU2812142790 Prague PRACE in Czech 22 Dec 90 p 1

[CTK report: "Crude Oil From Nigeria"]

[Text] Prague— Federal Prime Minister M. Calfa yesterday received Zakari Yau Ibrahim, state minister of external affairs of the Federal Republic of Nigeria, who is currently paying an official visit to the CSFR. As Mr. Ibrahim told the CTK reporter, Nigeria is greatly interested in exporting crude oil to Czechoslovakia. It is still necessary to agree on the specific technical details, especially with the Nigerian National Oil Company. Asked when the first barrels would arrive, the minister replied: "It now depends on your bodies. Our interest is great, and we are ready to negotiate and export. We hope that an agreement will be concluded very soon."

Justice Minister Protests Rychetsky Remarks

AU2712145490

[Editorial Report] Prague RUDE PRAVO in Czech on 22 December on page 2 carries a 400-word statement by Czech Republic Justice Minister Leon Richter. In the statement Richter reacts to a disparaging comment about the Czech judiciary made by CSFR Deputy Prime Minister Pavel Rychetsky in the Federal Assembly on 18 December. According to RUDE PRAVO, Rychetsky said in parliament the following: "When I visited the U.S. Supreme Court, I was asked how they could help us. I replied that there is only one thing they could do—lend us 4,000 judges so that we can replace those we have. That is impossible, however."

In his statement, Richter admits that the Czech judiciary must "do a great deal to regain the credit which it had decades ago." He points out, however, that judges who had discredited themselves have already "taken off their robes" or are about to do so. He stresses that the "crucial majority of judges" in Czechoslovakia are "honest people who need only one thing—for no one from the outside, especially no politicians, to interfere in their work." Richter qualifies Rychetsky's statement as "disparagement of everything which our ministerial department is striving to achieve." He also "rejects" the "uncritical import of foreign models" as "precisely what proved to be ruinous for our judiciary, and not just for the judiciary."

Czech Parliament Debates Closing Account, Budget

AU2712203390 Prague PRACE in Czech 22 Dec 90 p 2

["(trg)"-signed report: "Budget—A Hard Nut; Fifth Day of Czech National Council Meeting"]

[Excerpts] The tense atmosphere in deputies' benches bore out that the debate on the draft state budget of the Czech Republic, which was the main item on the agenda of yesterday's session of the 12th meeting of the Czech National Council [CNR], would not take a smooth course.

The explanatory statement on the budget was delivered by Czech Republic Finance Minister Karel Spacek who said that the economic prognosis for next year, which is regarded as the most critical period of the economic reform, does not provide grounds for optimism. Even though national income must realistically be expected to decline, the state budget provides for a surplus. Revenues are planned at 182,609,900,000 korunas, while planned expenditures are 1.1 billion korunas lower. The biggest item among expenditures are social services and activities for the population (almost 111.5 billion), while state administration represents the smallest item (over 2.5 billion).

The joint report of the CNR committees on the draft budget for 1991 was contradictory. Whereas the Constitutional and Legal Affairs Committee of the Czech

parliament does not recommend that the submitted draft budget be approved, the National Economic Committee is of the opposite opinion. All remaining CNR committees also endorse the draft state budget. These contradictions marked the debate, in the course of which some 20 deputies took the floor in the course of the morning. [passage omitted]

In the late evening the CNR approved the state closing account of the Czech Republic for 1989, which shows revenues of 154,046,000,000 korunas and expenditures of 155,293,000,000 korunas. Last year's budget ended with an aggregate deficit of 1.247 billion korunas. The CNR acknowledged that the deficit of the Czech Republic state budget would be offset from financial assets of the Czechoslovak Federation.

The deputies then proceeded to vote on the modifying proposals which emerged from the debate on the state budget of the republic for next year. At the time of our newspaper's going to press, the voting still continued.

Meciar Interviewed on Slovak, Czech Tensions

AU2712183490 Bratislava VEREJNOST in Slovak 20 Dec 90 pp 1, 3

[Interview with Slovak Government Prime Minister Vladimir Meciar by Andrej Javorsky; in the Slovak National Council's building on 18 December: "Life Goes On"]

[Excerpt] [passage omitted] [Javorsky] We would like to ask you two questions about your work. LIDOVE NOVINY has written once again about the alleged declaration by Slovak representatives that the Slovak National Council's laws will prevail over the laws of the federation. We are of the opinion that this was unnecessary and superfluous, since you seriously and completely explained this problem in a discussion on the federal television by the end of the previous week. That is, even the viewers and the journalists in the Czech Republic could watch it. Despite the fact that we have already heard it, I believe that it would do no harm if you told our readers your opinion once again....

[Meciar] It is questionable whether we should talk about this problem again. No one from the Slovak side has made a public statement. Yet the Czech Government made a public statement after we had agreed that the content of the talks on the competence bill would remain secret. Today, I must resolve the dilemma: Is it better to react to the allegations in LIDOVE NOVINY and to exonerate myself of something that, in fact, I have not done, or is it better to explain the background, details and peculiarities [of the talks on the competence bill] and, by doing so, damage relations between the Czech and the Slovak Republics in some other spheres? We are not interested in the latter. All the invective against the Slovak side is completely unnecessary and unjustified. I believe that the time will come when we will be able to explain the entire matter publicly.

There is no simple answer to the question why tensions have appeared in the relations between Czechs and Slovaks. These tensions have not appeared overnight. This is why I have recommended in one of my interviews with LIDOVE NOVINY that its journalists themselves investigate what mistakes were made, what was or was not incorrect and unobjective reporting, and what facts have been reported to have happened but have not happened at all. What was the motive behind many commentaries describing things that had not happened? Why was information provided by the Slovak Government prime minister not published in this paper [LIDOVE NOVINY] or in the mass media in the Czech Republic? Why has the public in the Czech Republic not been made familiar with his response? They even spoke about the policy behind the scene! Yet, at the same time they did not want to hear about what we were doing publicly. I consider the entire situation to be embarrassing—not for me, however—and I am suggesting that we postpone the discussion about it until the time comes when we are able to talk without emotions.

[Javorsky] Last question: In which direction will your government proceed?

[Meciar] We will concentrate on three main problems in 1991. The first one is the solution to the economic and social problems connected with the economic reform. It is a complicated set of relations requiring an analysis of material problems and setting up social services to help those who will be worse off. The state should provide quick and effective help—and this is a complicated process.

Another task for the government will be to establish Slovakia as a state meeting all modern criteria. This stage will culminate in the adoption of the constitution of the Slovak Republic. Of course, before adopting the constitution we will have to reevaluate the structure of the organs of the state administration and to push for decentralization, that is, to transfer the spheres of competence from highest organs to lower organs –we have not gone further than regional national committees. At the same time we will have to make changes to the structure of the central organs of the state administration—changes to the number of employees, to the structure of the ministries, and to the division of labor. To make our standpoint toward federal organs clear, we will also express our opinion on the federal constitution.

The third important task for the government in 1991 will be to seek ways for Slovakia to join international integrating trends. This means that we will seek integration into entrepreneurial and trade circles and our people, Slovak citizens, will have their say in them. At the same time we will solve question connected with our representation in trade organizations; we will have to solve the questions related to currency and banking, and, we must not forget the cultural sphere, either. We want to achieve more efficient cultural cooperation with foreign countries—a number of agreements with many important

regions in Europe are under preparation. In this connection, the question related to the sphere of competence of the Slovak National Council with respect to concluding international agreements and contracts must be resolved.

Finally, I would like to speak about the republican budget, about which I have not spoken yet, but I am still thinking about it. If we happen to have higher income than that which is fixed in the budget, then we will divide all the money between the education and health care. We have to make fundamental changes in these spheres, since their level today does not meet the requirements of the country and it does not meet world standards, either. This will depend on the resources that each republic has at its disposal, however. The first three, which I have spoken about, are systemic resources, and everything is dependent on them. Our life goes on....

[Javorsky] Thank you for your interview.

Coexistence Member Views Minority Representation

AU2712203090 Budapest NEPSZABADSAG in Hungarian 21 Dec 90 p 3

[Interview with Geza Toth, press secretary of the Coexistence Movement in Czechoslovakia, by Tibor Kis in Prague; date not given: "The Slovak Government Body for National Minorities Has Been Abolished"; first paragraph is NEPSZABADSAG introduction]

[Text] In HIRMONDO [NEWS DISSEMINATION], the publication of the CSFR national minority movement known as Coexistence, readers may have come across a veritable obituary concerning the abolition of the national minority department of the Slovak Government. The department had been operating for two decades. The author of the HIRMONDO article is Geza Toth, who was a leading member of the department from the very beginning, and almost to the very end. Our reporter in Prague asked Toth about the reasons for the abolition.

[Kis] What role did the department play from the point of view of national minorities in Slovakia?

[Toth] We are basically talking about a product of the Prague Spring, and despite its humiliating disputes and detrimental financial and moral situation, this department greatly helped to keep the national minority issue on the agenda in Slovakia during the last few years. I think that the main achievement of the department was to maintain mother-tongue education for national minorities. It can safely be said that this department was a bastion for national minorities in Slovakia.

[Kis] Is it not strange that the department survived dictatorship, but was abolished at this stage?

[Toth] This step was to be expected, given that, at the beginning of 1990, similar national minority bodies of important ministries were closed down (for example, in the sphere of culture and education); these bodies had been important from a national minority point of view. A new government was set up, following the elections in June 1990, and on 25 September, the leadership of this government issued a presidential decree—decree number 37—which put an end to the department, for reasons of administrative restructuring. That was the excuse.

[Kis] Do you not think that this was the real reason?

[Toth] According to the official explanation, a restructuring was necessary to make government operations more efficient. Ours, however, is the only department to have been closed down at a government level; at the most, the other department changed their names. It has also been said that the restructuring was aimed at getting rid of "old structures" like myself. If that were the case, then they should have replaced old members with new people. That, however, did not happen; instead, they dispersed the old employees, and nobody has come to replace them.

[Kis] In other words, the abolition of the department can be seen as a step backward?

[Toth] We are witnessing a tendency that is trying to force collective national minority rights into the background, while placing individual rights at the forefront. The development of this tendency would weaken the position of national minorities. It is a fact that the national minority council still remains, but this is only a consultative body, not an executive branch, which is what the department for national minorities was.

Special National Assembly Session Held 27 Dec

Ethnic Minority Representatives Meet Press

LD2712204890 Budapest MTI in English 1728 GMT 27 Dec 90

[Text] Budapest, December 27 (MTI)—There has been no change of system as regards minority policy, stated legislators representing ethnic minorities at a press briefing held during the break of the Thursday session of parliament.

Referring to the bill on the state budget, the MPs said that the support to be extended to ethnic organization and institutes of education was not sufficient and no financial background for exercising minority rights has been created.

Ferenc Wekler, an MP of the Alliance of Free Democrats (AFD) [SZDSZ] said the goals stated in the paragraphs on ethnic minorities of the government programme were really nice but the figures of the state budget submitted by the government contradicted to all declarations.

The MPs of ethnic minorities have submitted a plan for amendment to modify that part of the budget concerning minorities. They suggested that the sum of the aid to be extended to ethnic organizations should be raised to 200 million forints (from 100 million) and a further 150 million forints should be granted from the state budget to support kindergartens of ethnic minorities.

The MPs also suggested that a fund of 800 million forints be created from the state budget, that after the enactment of the minority law could serve as a source of support for the institutions of minorities living in Hungary.

The suggestions and the plan as a whole, however, were rejected by the budgetary, tax and financial committee of parliament.

Kupa Views Proposed Tax Reform

LD2712224490 Budapest Domestic Service in Hungarian 1700 GMT 27 Dec 90

[Interview with Finance Minister Mihaly Kupa by unidentified reporter; place and date not given—recorded]

[Excerpts] [Reporter] The Budget Committee is holding session simulanteously with parliament's plenary session, because next year's budget will be adopted on 30 December—that is, after three days. In the morning, the deputies found that 29 billion forints could be saved from the bill. Reacting to this, the finance minster asked to convene an extraordinary government session and returned with a proposal of 22 billion forints. I asked Mihaly Kupa why in the afternoon recess. You will hear a professional explanation in the next two minutes. It is, however, worth listening to, for many of us might be interested in what will be said.

[Kupa] The government could not accept the reduction of expenses in connection with the defense and security services and the foreign economic strategy, namely the case of cooperatives with disadvantageous conditions. The interior minster finds reducing the budget of the so-called decentralized organizations by 4 billion forints unrealistic. [passage omitted]

[Reporter] In the meantime, the Budget Committee, which is negotiating even during the parliament session, has voted that 15 billion forints should be given for the modification of personal income taxes; that is, income tax rates should be supported by this much. What can the government do about this? Where, in which areas could concessions be given?

[Kupa] Look, we also brought with us a taxtable which contained 10 billion—not 15, but 10 billion—forints. Its basic philosophy was that those living on minimum wages—that is, those with annual incomes up to 82,000 forints—should not pay any tax. Furthermore, I would like to stress that at the proposal of a deputy, above 800,000 forints we have put a rate of 55 percent, on which, however, we do not insist at all cost. As far as I know, while I was at the government session, the committee rejected or did not support increasing pensioners' prefrential tax bracket, for, as we also included this in the table, this would be about 1.5 billion forints, so our table of 10 billion forints is in fact that of 13 billion compared to this one of 15 billion. Well, I do not know how the committee want to distribute these 15 billion forints. As for me, I consider justified the reduction of the burdens of those with low income first and foremost. If there is still some money left after this, then the middle category, which in Hungary ends at 250,000 forints, for there are not too many taxpayers above that figure, would get some concessions.

Proposed Budget Cuts Discussed

LD2712211590 Budapest MTI in English 1751 GMT 27 Dec 90

[Text] Budapest, December 27 (MTI)—The spendings of the 1991 state budget must be reduced by 29,000 million forints to provide cover for certain fields, the budgetary, tax and financial committee of parliament suggested at its session on Thursday.

The suggestions of the committee were discussed by the government at an extraordinary session on Thursday.

Minister of Finance Mihaly Kupa informed MTI that the government agreed to the majority of the suggestions and accepted a 23,000- 24,000-million forint reduction in spendings. This reduction is likely to affect first of all the state apparatus and the local administrations.

The reduction in budget spendings is necessary so as to alleviate the burdens to be borne by the population next year. According to the plan, there will be a 10,000-million forint drop in budget revenues coming from personal income tax.

Budget Debate Postponed

LD2712212190 Budapest MTI in English 1830 GMT 27 Dec 90

[Text] Budapest, December 27 (MTI)—Parliament postponed the debate of the bill on the 1991 state budget at its Thursday session.

The plenary session of parliament is to continue on Friday morning.

Political State Secretary on Minorities Abroad

AU2712192890 Budapest NEPSZABADSAG in Hungarian 21 Dec 90 pp 1,4

[Interview with Political State Secretary Geza Entz by Oszkar Fuzes; place and date not given: "What Will the Minister Without Portfolio Do?"; first paragraph is NEPSZABADSAG introduction]

[Text] Following the nomination of Balazs Horvath, minister without portfolio, as supervisor of the secretariat dealing with Hungarians living outside Hungary, we asked Geza Entz, the head of this organization, whether the activities of the secretariat would be modified.

[Entz] Our working methods already developed during the course of 1990. We receive and distribute information, and we maintain relations with various Hungarian organizations abroad, particularly those organizations that are located in our neighboring countries. Basing ourselves on the principle that Hungarians both inside and outside our borders form one nation, we contribute to the linking of Hungarian communities in the name of national solidarity. We also support the autonomous organizations of Hungarians abroad. I would like to stress that all these activities are based on international law and on relevant agreements, and in no way are these measures aimed against another country. I have personally been to the three Yugoslav federated republics that border on Hungary, and I have initiated relations with both the Hungarian organizations and the governments there. We expect similar measures in other countries. I am getting ready for a visit to Prague. In other words, we are carrying on with our work.

[Fuzes] As political state secretary, you were in charge of this secretariat, but now you have been given a minister without portfolio. Why was this minister appointed?

[Entz] The prime minister knows the answer to that question; I do not appoint ministers. I have already contacted Balazs Horvath, and I also informed the prime minister about this. From the point of view of our work, this change is a positive one. Furthermore, Balazs Horvath will not be my superior; I still work under the prime minister.

[Fuzes] In that case, what will the minister without portfolio do?

[Entz] Apart from his other duties, Balazs Horvath will be in charge of the government supervision of this area. The government is made up of ministers, not state secretaries. In essence, this means that the minister does not deal with practical matters. If the government has something to undertake in this area, then it is the minister who acts, because he is a member of the government. He can assist the functioning of our area, but he does not interfere directly. To me, the change means that I will have a partner in government. That could be advantageous in future.

[Fuzes] What plans do you have?

[Entz] I want to visit all our neighboring countries. I would like to contact relevant government bodies abroad, if they would be prepared for that. Most countries are ready for that.

[Fuzes] Which countries are not ready?

[Entz] Romania does not seem too willing. So far, there has not even been any progress in this area at a foreign ministerial level.

[Fuzes] What is the situation like for Hungarians in the West?

[Entz] We are also dealing with them, and there is a lot to be done. They want to assist our political and economic reconstruction, and we are looking for ways in which they could help us. For example, we have examined the ways in which they could take part in our elections.

[Fuzes] This does not come under your sphere of authority at home, but is there no concern abroad about the fact that national minorities in Hungary are not represented in the National Assembly?

[Entz] This question always comes up abroad when we talk about the situation of Hungarians. Our foreign partners and Hungarians abroad ask us about the political representation of national minorities in Hungary, and also about the general possibilities of these minorities. Clearly, these questions can only be examined according to identical fundamental principles of politics and ethics. We are not talking about automatic reciprocity; we cannot compare facts and figures, we have to compare values. It is the moral duty of Hungarian politics to solve this problem. It is not an easy task, but I will press for measures. Incidentally, the bill on national minorities is in the making.

Rules on Convertible Currency Changed

LD2212065390 Budapest MTI in English 0103 GMT 22 Dec 90

[Text] Budapest, December 21 (MTI)—The government and the minister of finance do not play any stricter measures with respect to convertible currency regulations. On the contrary, from the beginning of next year, Hungarian citizens will be able to deposit their convertible currency that is quoted by the National Bank of

Hungary into accounts without any justification about their origin. From January 1, 1991, the National Bank of Hungary will discontinue the quotation of the East European currencies, with the exception of the Czechoslovak crown.

"From the beginning of 1991, foreign currency accounts will be kept in convertible currencies only. Foreign currency accounts kept in non-convertible currencies to date will be exchanged by the leading financial institutions into forints, which will handle them as forint deposits in the future," said Tibor Draskovits, deputy secretary of state of the Ministry of Finance, at his press conference in Budapest on Friday.

Regarding changes in the foreign currency rules, salaries and allowances granted in non-convertible currencies to date in case of official, lasting, and temporary commission and duty will be paid in convertible currencies.

Many restrictions for individual tourism will also be eliminated with effect from January 1, 1991, for instance, railway and airplane tickets can be purchased for forints, without any restrictions, for travel destinations in Europe and the Middle East, to improve the travel conditions. Overseas airplane tickets can also be purchased for forints, once a year. Convertible accounting will also be introduced for organized tourism, to replace accounting in national currencies.

As the National Bank of Hungary will discontinue the quotation of East European national currencies, with the exception of the Czechoslovak crown, with effect from January 1, 1991. The various restrictions on foreign currencies will not be valid for these, and can thus be kept at home without any restrictions on the amount.

The annual travel allowance of 50 dollars provided to Hungarian citizens will not change next year, and foreign currency the equivalent of 5,000 forints can be kept by citizens at home.

Police Chief Candidate Comments on First Steps

AU2612153390 Budapest NEPSZAVA in Hungarian 19 Dec 90 p 5

[Interview with Colonel Janos Bodracska, current head of the Budapest police criminal investigation department, by Attila Schmidt; place and date not given: "Policemen, at a Whistle's Distance!"; first paragraph is NEPSZAVA introduction]

[Text] The competition is no longer open. In accordance with the notice sent out by Hungary's chief of police, candidates for the posts of Budapest chief of police and county chiefs of police could send in their applications by 15 December. An expert jury will examine the competition essays by 21 January. Thereafter, the applications will be sent on to the country's self-governing bodies. Hungary's chief of police will designate the new chiefs of police, who will serve a period of five years, starting 1 March. Janos Bodracska applied for the post of Budapest chief of police.

[Schmidt] Are you a brave man?

[Bodracska] I think so. I know that I would have to assume a lot of responsibilities if I won the competition, but I am prepared to do that, because something has to be done to finally modernize the Budapest police.

[Schmidt] What would you do if you were appointed chief of police?

[Bodracska] It is not so easy to give a brief answer to that question. First, however, it has to be said that criminals have become particularly brazen in recent times because there are no policemen on the streets. I think it would be better if policemen on duty could be found within "a whistle's distance." Our whole "stiffened" structure should be reorganized, starting with the police headquarters. I do not think it is a good idea to send out policemen from the central patrol service to the local police stations. Obviously, policemen who go on patrol in different areas every day do not feel that the area is really theirs, and they cannot really be responsible for an area because they do not know it. The supervision of demonstrations is a great burden for us. I am convinced that we need a well-trained central department—consisting of at least 200 or 250 people—for special duties relating to the safeguarding of law and order. At times when there are no demonstrations or sports events, this department could keep an eye on the inner city, or on our train stations.

[Schmidt] What plans do you have for the criminal investigation department?

[Bodracska] This is a very important department. The criminal investigation department definitely bears the brunt of the burden, yet it works under particularly unfavorable circumstances. Many investigators do not even have a desk, let alone a room. At the same time, there are departments where employees work comfortably in big rooms, they use super-advanced technology for rather useless purposes [morzsoljak az imamalmot], and they have absolutely nothing to do with criminal investigation. Clearly, the executive staff should be provided with modern equipment and good cars. There are several secretariats in our police headquarters, but I do not know what purpose they serve, and that annoys me. We just need one, well-functioning secretariat to assist our criminal investigators. We need computers; that is why I would like to create a department in charge of computer data processing. The duty of this department would be to elaborate programs and directly help our specialized employees. This department could elaborate the data basis that is essential for police activities. All this would be the task of a single department. Our policemen could already receive the information that they require in their cars.

[Schmidt] Do you plan to make any staff changes?

[Bodracska] I would like to achieve a change of attitudes. I do not like "nagging" policemen. Policemen should not try to pick quarrels, they should help. I would like to form a "philanthropist" type of policeman. A policeman should act at the time and place where he is needed, and he should act with determination. It is impossible to defend citizens with an wavering police force.

[Schmidt] How could the current uncertainty be dispelled?

[Bodracska] The police law should be elaborated as soon as possible. This law should determine our rights and duties. It is just as indispensable to establish legitimacy. Legitimate leaders already occupy our most important posts, but we also need legitimate leaders in our executive bodies. I think that precincts should be brought back as soon as possible; these could function as small police stations. On the other hand, the district police agent network has to be dismantled. I do not want a policeman to report to me about denouncements, I want him to tell me that everything is all right in his district.

[Schmidt] What conditions would you lay down if you were appointed as chief of police?

[Bodracska] The Budapest police headquarters should have an independent budget. I would like to know whether my decisions can be backed by sufficient financial means. I, of course, would elaborate my long-term plans according to our financial means. I need to know how much I can allow myself to do. I would also demand to have the right to appoint people to those departments where the law would permit me to do this. I know my people, so I should know which position would be suitable for each of my employees. I also think that a leader who excels in directing his subordinates should be paid accordingly. Furthermore, we should dismiss incompetent people.

[Schmidt] What qualifications would you expect from Budapest policemen?

[Bodracska] I would expect uniformed policemen to be high school graduates, and to have a good command of at least one foreign language. I would expect investigators to master two foreign languages, and to be either college or university graduates. We can no longer tolerate a situation where criminals are more educated than their pursuers. Our entrance competitions will have to lay down our requirements.

[Schmidt] How much would you pay policemen?

[Bodracska] The policemen who work in public areas should at least receive the salary of a works manager, and investigators should be paid at least as much as an engineer. That, of course, would sound even better if works managers and engineers were given high salaries.

Videoton Makes Deal With Soviet Radio Ministry

LD2712161590 Budapest MTI in English 1418 GMT 27 Dec 90

[Text] Budapest, December 27, 1990 (MTI-ECONEWS)—Videoton Trade PLC, the trade company of the Videoton electronics and telecommunications group, has made a 6 million USD [U.S. dollars] deal with the Soviet Ministry of Radio Engineering for delivery of computer printers, next year, the sales manager of the company, Mr Andras Gede told MTI-ECONEWS.

There are 43.3 million USD worth of Videoton products on the indicative list of the Hungarian-Soviet trade agreement.

Besides, Videoton reckons to have orders for 8 million USD worth of services from the Soviet Union.

Since 1970, Videoton has delivered 5,000 computer systems to the Soviet Union.

Currently Hungary is having talks with competent Soviet authorities about the supply of 3 million tonnes of oil next year, against appropriate Hungarian products. Videoton has offered to put 115 milion USD worth of products into the barter.

This year Videoton had 299 million roubles worth of orders—without military ones—from the Soviet Union, and over 90 per cent will probably be met. Over half of the exports was carried out under barter deals.

Videoton has found Soviet buyers always ready to pay and it made barter deals mainly with leading Soviet energy development companies, the official said.

Difficulties only occur when the state interferes, modifying the established practice and making the work of the banks difficult. One recent case in point was the temporary banning of the cash-on-delivery (COD) payment method, Mr Gede said.

Videoton has built 57 million roubles worth of Soviet components into various military telecommunications devices this year which it then sold in the Soviet Union.

This year the long-term Hunagrian-Soviet agreement, under which Videoton used to sell military products in the Soviet Union, expires and the company will stop military production altogether.

Videoton still has 45 million roubles worth of Soviet component stocks. The Soviet party wants to take them back only on condition that Videoton buys some specified Soviet products in return. If the deal does not come off, Videoton will have to write off the surplus stocks, Mr Gede said.

Further Reactions to Former King's Expulsion

Civic Alliance Issues Statement

AU2712142090 Paris AFP in English 1323 GMT 27 Dec 90

[Text] Bucharest, Dec 27 (AFP) — The opposition group Civic Alliance on Thursday [27 December] called on Parliament to invite officially former King Mihai to visit Romania, after authorities expelled him from the country on Wednesday.

In a statement published in the daily ROMANIA LIBERA, the non-parliamentary coalition described the expulsion as "unwarranted" and asked Parliament to "take the initiative to invite" the former monarch back to the country. The group also called on Parliament to "declare null and void" the ex-monarch's December 30, 1947 abdication, which it said was obtained by "the use of force and blackmail by communist authorities backed by Soviet occupational troops."

The former king was flown to Switzerland on Wednesday aboard a Romanian Government jet, less that 12 hours after he returned to Romania unannounced from 43 years of exile. Also on Wednesday, three opposition formations protested against the expulsion.

Republican Party Comments

AU2712153590 Bucharest ROMPRES in English 1443 GMT 27 Dec 90

[Text] Bucharest ROMPRES 27/12/1990—From what the Romanian authorities have reported, reads a communique of the Free Republican Party, it seems apparent that Romania's former sovereign did not come with good intentions.

The very fact that they did not declare their real identity as passengers of the private plane that brought them from Switzerland to Bucharest proves that through this forced entry the former sovereign pursued to destabilize the present situation in the country.

Our party wants to inform public opinion at home and abroad that such an action runs counter to the principles of law and asks the government and Parliament to initiate an inquiry into this regrettable act of abusive violation of Romania's state frontiers and hold responsible those guilty of this thing, the communique sent to ROMPRES reads.

Romania's former sovereign, the communique stresses, can anytime visit Romania but only observing the country's laws.

The Romanian people, the whole country want to acknowledge ex-King Michael that a return to monarchy is no longer possible. We want quiet and the country's revival, the communique reads in conclusion.

Monarchist Party Protests

AU2712172190 Bucharest ROMPRES in English 1539 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—The Steering Council of the Christian Democratic Monarchist Conservative Party announces that its members "protest against the abusive use of the old Stalinist methods of gross violation of human rights, a method employed with His Majesty, King Mihai I, on his visit for the holy Christmas," reads a communique sent to ROMPRES to be released.

It also calls on all political and apolitical forces to state "their standpoint on this new abuse of power" and proposes the foundation of the "Monarchist Alliance."

Opposition Deputies Criticize

AU2712202790 Bucharest ROMPRES in English 1955 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—"On Christmas, the power committed an act of a rare political shortsightedness," stated Gabriel Tepelea, member of Parliament on behalf of the Christian and Democratic National Peasant Party [PNT-cd] parliamentary group. "A former monarch, closely bound, he and his family, to the major events in the history of Romania, was stopped from paying that day at the tombs of his ancestors at Curtea de Arges for juridical and police-minded reasons," said the PNT-cd deputy, voicing his opinion that it looks like someone has intentionally pressed a button to generate, as out of the blue, protests and dissatisfaction.

The leadership of the PNT-cd has repeatedly stated its opinion both on the forced removal of King Mihai by the occupation troops and the communist dictatorship in 1947 and on the choice by referendum of the form of government, after the revolution.

The same opinion was sustained, by almost similar but more trenchant arguments, by deputy Dan Lazarescu in the name of the National Liberal Party and, in a more evasive manner, but in the same line of thought, by UDMR [Democratic Association of Hungarians in Romania] deputy Ladislau Borbely.

In reply, deputy Stefan Cazimir, of the Freely Changeable Party (Liber Schimbist) drew several parallels between the style of action of ex-King Mihai's father, King Charles II, and the manner in which the son acted several decades later. He pointed out the fraudulent way in which each of them returned to Romania, the way in which both of them disregarded their signatures on the throne renunciation acts. Mr. Cazimir's address, repeatedly and insistently applauded by a significant part of the plenum, highlighted the whole royal family's lack of honesty, dignity, consistency and respect for the people's general opinion, as they have manifested along the history.

On the same issue, deputies Dan Popovici, Marcel Chiritescu, Radu Berceanu and others took the floor to condemn the ex-king's action and demand that investigations be made as to the circumstances in which the incidents occurred. Consequently, a commission of the lower chamber was set up to inquire, from various points of view into Mihai's arrival in Romania and into the responsibilities incumbent the relevant state authorities for the indecision with which they acted on the occasion.

PNL: Expulsion Serious 'Mistake'

AU2712202990 Bucharest ROMPRES in English 1940 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—Ex-King Mihai's visit to Romania was quite unexpected. It should have been appropriately prepared so as to avoid the reprehensible incidents occurred on December 25 to 26 which culminated in expelling him ad his wife, an PNL [National Liberal Party] statement shows. To stop the [former] King's pious pilgrimage to Curtea de Arges meant to make a serious political and moral mistake.

Mihai's Press Office Issues Statement

AU2712202890 Bucharest ROMPRES in English 1952 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—A communique dated Geneva, 26 December 1990 and forwarded to ROMPRES for publication, reads inter alia: "His Majesty King Mihai and his family travelled to Romania on a perfectly legal basis and, upon their entry to Romania, the appropriate visas were requested from visas were granted, whereupon His Majesty the King and his group were seen off beyond the precincts of the airport, which attests to the fact that all the legal procedures had been complied with [sentence as received]. His Majesty King Mihai considers the police and security authorities' later attitude as well as their rash expulsion measures as ascribable to the exclusive responsibility of the highest Romanian authorities. This new obstruction cannot further prevent His Majesty King Mihai's unabated wish to travel to Romania as a free citizen of this country, without any constraints. His Majesty King Mihai will remain faithful to the oath taken before the Romanian nation, declares himself ready to serve the cause of the Romanian people beyond any political or group interests and in compliance with the prerogatives bestowed on him by Romania's legitimate constitution.

Foreign Ministry on Possible Visit by Ex-King

AU2712191390 Bucharest ROMPRES in English 1734 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—Asked during a news conference on Thursday what the Foreign Ministry's reaction would be to ex-King Mihai's possible request for a visa, the spokesman for the Ministry of Foreign Affairs, Teodor Melescanu, specified: This can be seen when such a request is made. The Foreign Ministry is in charge only of giving diplomatic visas. Upon his recent arrival in Romania, ex-King Mihai I showed a Danish passport without a diplomatic visa, while in April he had a British one. He has no valid Romanian passport. Any Romanian citizen can come back to his country without a visa but with a Romanian passport. The document stands proof of the respective person's citizenship.

Hungarian 'Putsch' in Tirgu Mures Reported

AU2712183690 Bucharest ROMPRES in English 1743 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—The Assembly of Deputies resumed proceedings in Bucharest, on December 27, in the morning. The current session in plenum is attended by 290 members.

The week's endorsed agenda includes: continuation of debates on the bill of the land stock, the report of the mediation commission on the settlement of the disputes about the bill of public finance, the report of the mediation commission on the settlement of the disputes on the bill of aggregated functions, the report of the mediation commission on the settlement of the disputes on the bill of amendment and extension of Law No 6/1990 of reorganization of ministries and the pay of the functions within Romania's government and of certain functions of government level, the report of the mediation commission on the settlement on the disputes on the bill of combating unfair competition, the bill of ministries' organization and functioning, [and] the bill of exemption from payment for the unsunken value of the motor vehicles disused by the local transport enterprises in 1983 and 1983.

In the first part of the session in plenum of the Assembly of Deputies of Thursday morning, before discussions on the endorsed agenda, deputy Petru Pop, the Party of Romanians' National Unity, presented an account to Romania's Parliament and an intimation to the Ministry of the Interior.

The deputy told the attendance that an incredible plan of action had been drawn up in Tirgu Mures, intended to be carried through on December 21, 1990, on the commemoration of the December 1989 revolution heroes.

The speaker then said: "The plan of action was the doing of some 'friends of Hungarian nationality' whom we cannot call chauvinists or extremists, but enemies of the Romanian nation and people, who try in every way to work against the state's security and against public order.

"Those brave fellow countrymen had to accomplish the following, under I do not know whose guidance: 1) Occupation of the prefect's office, the town hall, the posts and local radio station headquarters, and the declaration of Tirgu Mures as independent city. 2) The blocking of the access ways to Tirgu Mures, like 7 Noiembrie, Combinat, Podul Mures, Boulevard 1848. 3) The immediate formation of order-keeping troops. 4) The formation, if the current government did not yield,

of a provisional command. 5) The suing in a so-called revolutionary court of law set up for the purpose, of the persons who would not obey by orders. 6) The annihilation of the Vatra Romaneasca Union and the immobilization of its representatives.

"The subversive action was discovered by the state bodies, frail as they are in the beginning, but we have to admit we had the support of honest citizens in the county, including Hungarian ethnics.

"As the action was discovered, the case was discussed at the Mures County prefect's office, where a part of its organizers too, were invited."

The deputy also said that "deeds prior to that attempt were recorded in the county, against which steps were not taken contingent upon the danger entailed, like: the sequestration of Prefect Vasile Urdea and Deputy Prefect Filipescu at Sovata, the sequestration of the prefect's office head of section Lazar in Livezeni Commune, the smashing of the sign of the mayor's office in Panet Commune which was in Romanian, inciting service at the Church Miercurea Niraj, where Hungary's flag was hoisted, Romania's state flag torn in the eighth form of the No. 3 general school in Tirgu Mures, attempted stabbing of singer Ion Bocsa in the Romanian Orthodox Church in Tirgu Mures during a religious service."

"The unjustified attitude of the police, procurator's office, the judiciary, as regarded the punishment of those who committed grave deeds on March 20, 1990 and after that," the deputy added, "makes one wonder, since Tirgu Mures is the turntable of the actions of destabilization, separation and persecution of the Romanians. It is tried to extend the Romanian drama of Harghita and Covasna to that city as well.

"Fortunately," the speaker said, "the attempted local putsch has failed for the second time (the first failure, as you know, was on March 20, 1990). But we want to know if such actions are given up or only postponed? And, do we or do we not avail of the legal means to definitely thwart such terrorist actions?"

The deputy of the Party of Romanians' National Unity warned that if the legal authorities, from the government to the police, are not able to do their duty, according to the state of law, "the inhabitants of these old Romanian lands, who have suffered so many injustices, have to organize themselves into national guards."

Mr. Dumitru Petru Pop demanded that "the story of the March 20, 1990 events" be publicized, and "the situation of the poor Romanians in Harghita and Covasna" be settled.

"For the anti-Romanian and anti-statal actions, we demand again that provocateurs Laszlo Tokes, Geza Domokos, Kiraly Karoly, Geza Socs, Peter Moc, Palfalvi, Demeni, etc., be held responsible," concluded the deputy.

Taking the floor during the session, UDMR [Democratic Association of Hungarians in Romania] Deputy Ladislau Borbely said that he retained the right to answer some other time Dumitru Petru Pop's statement in the Parliament.

Parliament Discusses Bill on Land Stock 27 Dec

AU2712211290 Bucharest ROMPRES in English 2012 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—The land bill was in the focus of the Senate's debates for a fourth day on December 27 the articles of chapter two were discussed with regard to the reinstatement and establishment of the right to property over the land.

The stormiest debates were upon Article 13 that referred to the usefulness or unusefulness of setting up a national agency for rural development.

Great interest was shown to an amendment suggested by the Senate's specialty commission and backed by several senators, inclusive of the chairman of the parliamentary commission elaborating the draft constitution of Romania. The senators' opinions constituted themselves a reparatory moral act toward those who suffered from the so-called village systematisation policy. This amendment to Article 17 shows: The persons whose houses were demolished during the dictatorship are excepted from the restitution of the lands they were legally given to build a home. They become owners over the respective lands even if they started or not to build their home when the law comes into force. Following today's debates, the Senate approved of the 120 of 20 articles. Debates will be resumed in plenum Friday, at 0:900 a.m..

During its Thursday session the Assembly of Deputies resumed debates on the land bill, a normative act of major importance for the promotion of private ownership over land in Romania.

The first chapter of the bill referring to general provisions was validated in successive sessions the previous week. Several articles were debated and approved today, whereas others were analysed with the amendments proposed.

The texts approved in the Thursday session refer to the basic questions of the bill, namely the definition of the persons entitled to receive land, the way of reinstating this right and implementing it.

The Assembly of Deputies resumes its works in plenum Friday at 0:900 a.m.

Government-Unions Discuss Labor Contracts, Wages

AU2712153190 Bucharest ROMPRES in English 1420 GMT 27 Dec 90

[Text] Bucharest ROMPRES 27/12/1990—The Government-Trade Unions Joint Commission resumed proceedings Thursday morning at the government's headquarters. Debates tackle a number of amendments to the

trade union law, the law on collective labour contract and the salary law. Such items are still pending after discussions in Parliament commissions and sub-commissions.

Roman Attends Meeting

AU2712211090 Bucharest ROMPRES in English 2011 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—A meeting of the joint government-trade unions commission took place on December 27 at government's headquarters.

The attendance was greeted by Mr. Petre Roman, prime minister of Romania, who assessed the dialogue as positive in defining draft normative acts on the quality of life and social security.

The commission set the amendments to be made to the bill regarding wages and the bill of labour contracts.

Appeal for 'National Reconciliation' Launched

AU2712175190 Bucharest ROMPRES in English 1446 GMT 27 Dec 90

[Text] Bucharest ROMPRES 27/12/1990—The International Christian Solidarity—the Romanian branch, the Brancoveanu Life-Saving Movement, the "Gratis Pro Deo" Charity Foundation, all in the name of the Christian-Democratic Alliance, issued on Christmas Day an appeal to the Romanian people for "national reconciliation."

Taking into account the four decades of communist atheism, we propose—the appeal reads—that starting on Christmas Day 1990 a general amnesty be declared for all Romanian citizens, except those who committed crimes proven beyond doubt.

Those who, owing to the historic conditions, had to join the Communist Party, agricultural production cooperatives, trade unions, the Union of the Communist Youth, are to be considered honest people at last, and no longer be blamed. The campaign of terror and slander against them must end, so they might benefit from all their rights. Within a year whoever holds real griefs against anybody should be able to file a complaint in court, no matter if the subject of the complaint was a Communist Party member or not. Those who will be found not guilty, together with all those who were not accused of anything, shall go free of any slander or humiliation.

In order to achieve a moral, inner reconciliation—the appeal adds—on a certain Sunday the Romanian churches will hold a solemn service for national reconciliation and forgiveness, for all those who were compelled to abandon or breach the Christian morality and faith after the Second World War.

Union Paper To Become Independent 4 Jan

AU2712174390 Bucharest ROMPRES in English 1521 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—As of January 4, 1991, the newspaper "REALITATEA ROMANEASCA" turns into an independent daily of opinion for all unions in Romania, irrespective of affiliation, open mainly for topics of social protection. By its permanent columns and by dispatches and coverages contributed by personalities, as well as by intimations and critical opinions contributed by the man-in-the street, the daily means to be an ardent defender of the rights and aspirations after a better life of every employee, of all citizens of the country.

PNT-cd Urges Senate To Consider Image Abroad

AU2712124990 Bucharest Domestic Service in Romanian 1100 GMT 27 Dec 90

[Excerpts] Our Senate reporter has informed us that, during the opening of today's Senate proceedings, several senators took the floor to ask the relevant authorities for an explanation of the events on Christmas Day when ex-King Mihai of Hohenzollern fraudulently crossed the Romanian border without awaiting the legal decision of the competent authorities, thus placing himself outside our country's laws and exposing himself to the full vigor of their application.

On behalf of the parliamentary group of the National Salvation Front, the floor was taken by Senators Gelu Voican Voiculescu, Sergiu Nicolaescu, Vasile Vacaru, and Ion Vasile. [passage omitted]

The floor was then taken by Caius Iacob, senator for the National Peasant Christian Democratic Party [PNT-cd], who urged the members of the Senate to bear in mind Romania's image abroad above all else and to help to reinforce through their attitudes the idea that our country has embarked on the road to democracy and respect for human rights.

In this context, Mr. Caius Iacob said that, as far as he knew, Mihai of Hohenzollern is a Romanian citizen. Continuing by recalling the undeniable merits of the former monarch, the senator emphasized that, by his 23 August 1944 decision to side with the allies, Mihai of Hohenzollern had avoided a genuine disaster for our country.

At the end of this first stage of today's Senate session and at the proposal of Senate President Alexandru Barladeanu, it was decided that Interior Minister Doru Viorel Ursu be invited to attend tomorrow's session to present a full report on the event in question. [passage omitted]

Barladeanu Says Communism Abolished 'For Good'

AU2712125590 Bucharest ROMPRES in English 1031 GMT 27 Dec 90

[Text] Bucharest ROMPRES 27/12/1990—In Romania communism has been abolished for good and all, states Mr. Alexandru Barladeanu, president of the Senate, in an interview with "DIMINEATA" newspaper. "The December 1989 revolution was not only antitotalitarian, anti-Ceausescu, but also anticommunist," he said, assessing that "it demolished the structures of that system. As a matter of fact, although there were 3.5 million Communist Party members, they were just paying their dues, they were not communists, in the sense of communist ideology. Communism doomed itself to failure through the fact that it was a system of constraint which blocked private initiative, new ideas, the normal course of society, of the individual's life," opines Mr. Barladeanu adding that "our spirit will need a long time to come to life again".

Referring to the activity of the commissions inquiring into the Tirgu Mures and 13-15 June and other events, he specified that in the first case a report is to be drafted to be discussed in the next few days, adding that "the activity of the other commissions is drawing to an end." Making a digression, Mr. Barladeanu informed about a talk he had with an English journalist who told him that similar commissions in his country finalize their activity in 4-5 years. "Not everybody has the privilege of being English," was the answer of the Senate president.

In connection with local elections, Mr. Barladeanu opined that "they could be called towards the half of next year [sentence as received]" since "Ceausescu organized Romania's territory as he wished, dissolving about 20 counties. Therefore we cannot call the elections before we solve the administrative organization of the territory, before we rebuild what had been arbitrarily destroyed, he said.

Making a balance-sheet of the Senate's activity, he said that 54 laws were passed, meant to contribute to the fast implementation of the economic reform, to the continuous democratization of the country's political and social life. "It was a very difficult year. What we regret is that we have not done more to help us advance faster on the path to the renewal of the Romanian society. We have made mistakes too. We have good achievements but the list of unfulfilments would be quite long, too," Mr. Barladeanu stated in conclusion.

Gorbachev's Decree on Moldova Viewed

AU2712152990 Bucharest ROMPRES in English 1402 GMT 27 Dec 90

[Text] Bucharest, ROMPRES 27/12/1990—The ROMPRES news agency asked the spokesman of the Ministry of Foreign Affairs to comment upon the December 23 decree of the Soviet Union's president, Mikhail Gorbachev, in connection with the situation in the Moldovan SSR [Soviet Socialist Republic].

The spokesman stated the following:

In its relations with all European states—therefore with the Soviet Union included—our government firmly observes the principles of the CSCE Final Act in Helsinki reasserted in the Paris Charter for a new Europe. Within these limits we follow with special attention but also with worry the events in and connected with the Moldovan SSR. Our feelings are quite normal taking into consideration historic, ethnical, language and traditions community, the majority of that republic's population being Romanians.

There are well known the historic circumstances in which Bessarabia and Bukovina, centuries-old Romanian territories, were incorporated into the USSR in 1940.

We fully agree with the resolution of the USSR Congress of People's Deputies adopted on December 24, 1989 according to which the secret additional protocol to the Ribbentrop-Molotov Pact of August 23, 1939 on the division of "spheres of interests" in Eastern and South-Eastern Europe as well as other secret understandings with Germany have no legal ground and valability [as received] from their very signing.

We have learned about President Mikhail Gorbachev's decree "in connection with the measures to normalize the situation in the Moldovan SSR." Of course, this is an internal problem of the Soviet Union. Therefore, I am not competent to judge the internal aspects of that act. But want to refer to the emotional aspects that decree has for us, Romanians, and especially to its significance taking into consideration the principles and the other provisions of the CSCE documents.

We in Romania have welcomed and supported the democratic processes in the Soviet Union in general and in Moldova in particular, especially the declaration adopted on June 23, 1990 by that republic's Supreme Soviet concerning the proclamation of its independence

These evolutions are integrant part of the restructuring process now under way in the USSR as well as of the changes in the European continent.

The maintaining and continuation of that process in all its aspects represent a necessity to ensure a positive course on the European continent. Any measure to stop or curb these democratic evolutions may endanger the very European process in its ensemble.

We have supported and are ready to further support the fulfilment of Moldavians' aspirations to live and develop according to their conscience, to defend their natural rights deriving from the republic's sovereignty.

We express our hope that the measures stipulated for the normalization of the situation in Moldova will start from the necessity of safeguarding those fulfilments. We also hope that any actions or shows of force will be avoided as well as any violent acts no matter where they will come

from. Such actions will lead to increasing the tension and aggravating the situation in the republic and in that region.

As president Mikhail Gorbachev has also stated, the situation can be settled only by observing the law and maintaining the territorial integrity of the Moldovan SSR.

We express our conviction that all interested factors will choose the dialogue and the negotiations, held with patience and realism, to find constructive solutions leading to the restoration of quiet and allowing the continuation of democratic processes in keeping with all-European realities and evolutions.

In approaching those issues, the Romanian Government starts from its consistent stand to observe the principles of frontiers inviolability and territorial integrity of all European states as well as the other principles in the Helsinki Final Act. As the Paris Charter for a new Europe stipulated, the observance of the principles in the Helsinki Final Act represents one of the fundamental requirements in promoting democracy, peace and European unity.

Interparty Alliance Supports Moldova's Independence

AU2712172490 Bucharest ROMPRES in English 1515 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—The Interparty Alliance for Romania's Rebuilding in Democracy and Freedom including the Christian Democratic Union, the Free Democratic Party, the Independent Christian Democratic National Peasant Party and the National Democratic Party—Maniu-Mihalache Line, reads a press release of the Interparty Alliance, declares that it recognizes and supports the declaration of independence of the Republic of Moldova, sanctioned under the final act of the Great National Assembly of Kishinev, December 16,1990.

"The Alliance," reads the communique issued to the ROMPRES, definitely acknowledges the universally valid character of the three reasons of law underlying the declaration of independence: the democratic principle of national majority, the historical right, the fact that the Romanian land of the present Republic of Moldova was and is treated, both by the imperial power and the Soviet power, as an annexed territory with a colonial regime, without any justification other than that of force."

The communique expresses "solidarity with all the other peoples that, subject to the same colonial treatment, have declared their independence."

Poet Proposes Conference on Moldova Sovereignty

AU2712133190 Bucharest ROMPRES in English 1206 GMT 27 Dec 90

[Text] Bucharest ROMPRES 27/12/1990—In an interview with "ROMANIA LIBERA" daily, the well-known Bessarabian poetess Leonida Lari states inter alia: The situation of the Republic of Moldova is now extremely tense. Moscow works for the transformation of the USSR into a so-called new-type federation, like the American one. For us this would actually mean to lose our sovereignty. If Moldova signed the agreement it would be the first act whereby it would acknowledge its dependence on the USSR and the fact that the territories taken away from it do not belong to it. There is no paper to prove that Bessarabia was conceded to the Soviet Union or on the basis of what right its territory had been torn apart. Moscow knows that and exerts pressure. Everything that happened with the Dniestrians and the Gagauzi was only a frameup.

The Republic of Moldova, Leonida Lari stresses, pursues first [of] all its sovereignty. And it will win it only when the Soviet troops are withdrawn from its territory and Moldova has its own armed forces.

As for the territories now belonging to Ukraine—southern Bessarabia and Bukovina, Mrs. Leonida Lari stated: We do our utmost for an international conference to be called under the UN aegis during which the question of Bessarabia should also be discussed. It is in that framework that the question of those arbitrarily seized territories could be raised. If we win our sovereignty we can negotiate with the Ukrainians to give them Transdniestria for these territories.

In connection with Romania's stand on Bessarabia, Mrs. Leonida Lari specified: It was only in Alba Iulia that we could feel that Romania was officially interested in the fate of Bessarabia. Romania can help us by adhering to our plan of calling the international conference I have mentioned. All bells must toll, Leonida Lari said in conclusion.

Nastase's, Neagu's Visits Abroad Reported

AU2712174690 Bucharest ROMPRES in English 1518 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—While in Ankara for the working meeting on the creation of the zone of economic cooperation of the Black Sea, held over December 19-21, 1990, State Secretary Romulus Neagu, member of the Romanian Government, had talks with Turkish officials on bilateral matters, announced the Foreign Ministry Spokesman Teodor Melescanu in the December 27 press briefing.

On receiving the chief delegates, President Turgut Ozal appreciated the "titanic work" now being done in Romania for the building of a democratic society and the passage to the market economy, showing that the only solution in that respect was "the whole Romanian people's diligent work".

During talks conducted with under-secretary of state Turgay Ozceri and Tansug Bleda [spelling as received], assistant undersecretary of state with the Turkish Foreign Ministry, the mutual wish was highlighted to develop the bilateral relations more. They agreed on

updating the legal framework between the two countries, by reviewing the accords and understandings in force, especially in the economic, tourist and legal-consular domains.

The Turkish party invited a group of Romanian experts to attend the symposium on Turkey's experience in the transition to a market economy, due in Antalya, over April 1-3, 1991.

The Turkish party showed during the talks its readiness to back Romania's efforts of economic reconstruction, including through the opening by Turkey of credit lines for the purchase by the Romanian party of bare necessities, like electricity and food.

Regarding the fact that Romanian Foreign Minister Adrian Nastase, special envoy of Romania's president, now visiting Egypt, was received by President Husni Mubarak in Ismailia, Undersecretary of State Teodor Melescanu, foreign ministry spokesman, stated in the weekly press briefing that during the interview, the president of Egypt was extended President Ion Iliescu's invitation to pay a visit to Romania. The invitation was accepted. The date of the visit is to be established by joint agreement.

During his Egyptian visit, the Romanian foreign minister also had interviews with the Egyptian deputy prime minister and foreign minister, 'Ismat 'Abd-al-Majid, and with the minister of international cooperation, chairman of the Egyptian party of the joint commission. Views were exchanged at length during the interviews, on the ways to develop the bilateral relations as a whole in the context of the new conditions created by the Romanian revolution, especially of the political dialogue and economic exchanges. In view of maintaining a periodical dialogue on the evolution of the bilateral relations, both economic, political and cultural, a joint commission of the two countries' foreign ministries was created, which is to meet twice a year, in Bucharest and Cairo, at the level of ministers or high dignitaries of the foreign ministries.

Analyzed were also the current regional and international matters, with emphasis on the gulf crisis and the Palestinian issue. The mutual wish of Romania and Egypt was stressed in that respect, to contribute, as a Security Council member the former, and as an Arab League member the latter, to a political settlement of the conflict in the gulf, based on the enforcement of the UN Security Council resolutions.

The official Romanian delegation, which also includes two senators, had interviews at the Egyptian Parliament, the Romanian-Egyptian Friendship Association, and met with Egyptian political and economic personalities.

Foreign Minister Returns From Visit to Egypt

AU2712211190 Bucharest ROMPRES in English 2034 GMT 27 Dec 90

[Text] Bucharest ROMPRES, 27/12/1990—Romanian Foreign Minister Adrian Nastase returned to Bucharest Thursday evening after his visit to the Arab Republic of Egypt.

En route to homeland, Mr. Adrian Nastase gave an interview aboard the plane to the ROMPRES and radio station envoys, in which he stated, among other things, that his visit had several objectives: to present, through a direct contact, the political developments in Romania in the last year, and examine together how to stimulate bilateral ties. The interviews I had, first when I was received by President Muhammad Husni Mubarak, the highly productive discussions with the deputy prime minister and the foreign minister, Dr. 'Ismat 'Abd-al-Majid, and with other members of the cabinet as well as the contacts with Egyptian parliamentarians and members of the Consultative Council marked the due political readiness for "a free wave" to boosting bilateral economic relations.

Another objective was to assess the gulf conflict and the prospects for its peaceful settlement. In the days till January 15, we should assume a constructive responsibility that derives from our capacity as member of the UN Security Council, by trying to participate as a catalyst of efforts toward a political solution to the crisis in the area.

The minister also referred to his visit to the Arab League headquarters and the meeting with the secretary-general ad interim, Assad al-Assd [spelling as received], that being the first interview of a non-Arab foreign minister after the move of the Arab League base to Cairo.

The visit was conducive to establishing an arrangement for the development of an institutional framework for bilateral collaboration. We agreed upon the setting up of a joint commission of the countries' foreign ministries as well as on visits at a ministerial level.

I think Romania and the Arab Republic of Egypt reciprocally attach special importance to external governmental actions over both a short and a long term, the foreign minister said in conclusion.

Reportage on Visit

WA2712104890

For reportage on the visit by Foreign Minister Adrian Nastase to Egypt, please see the Egypt section of the 27 December Near East & South Asia DAILY REPORT and subsequent issues.

Loncar Due To Arrive in Iraq 28 Dec

AU2812111290 Belgrade Domestic Service in Serbo-Croatian 1100 GMT 28 Dec 90

[Text] Budimir Loncar, federal secretary for foreign affairs, is arriving in Iraq today as a representative of Yugoslavia, which is the chairman of the Nonaligned Movement. Loncar's visit is seen in the world as yet another attempt to prevent war in the gulf.

Jovic, Loncar Discuss Gulf Crisis

LD2712205790 Belgrade TANJUG Domestic Service in Serbo-Croatian 1449 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—Prior to his departure for Baghdad Budimir Loncar, federal secretary for foreign affairs, today met SFRY Presidency President Dr. Borisav Jovic to brief him on the latest developments in the gulf and on an increased danger of an armed conflict, which would have unforeseeable consequences. During the meeting, Jovic and Loncar devoted special attention to the possibilities of launching an initiative for resolving the crisis in a principled way, which our country has been advocating and on the basis of which our country, as the chairman of the nonaligned movement, would carry out its mandate for a peaceful solution to the crisis, on behalf of the movement.

Divisions Over Markovic Program Reported

LD2712222690 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 27 Dec 90

[Text] HINA reports that in a one-hour speech FEC [Federal Executive Council] President Ante Markovic presented to the members of the SFRY Presidency and presidents of all Yugoslav republics—except for the Croatian representative, Prime Minister Josip Manolic—the government's program of macroeconomic policy for the coming year. Ante Markovic, along with eight of his ministers and two vice presidents of the Federal Government, then heard critical remarks from those present at the meeting on the proposal and on the course so far of the economic and social reforms.

In their assessments the members of the presidency draw on the statements of the special group of economists who have analyzed for their purposes the present economic situation in Yugoslavia. HINA has learned from reliable sources that members of this group, as well as the Presidency itself and the republican presidents, are divided, with some for and some against Markovic's program; but according to the sources, there is no question of an unofficially signalled resignation of the Federal Government. The close of the Presidency session is expected this evening.

FEC Delivers Report on State of Nation

LD2812114790 Belgrade TANJUG Domestic Service in Serbo-Croatian 0910 GMT 28 Dec 90

[Text] Belgrade, 28 Dec (TANJUG)—The coming year will be a key one, not only for the success or collapse of the reform, but also for the survival of Yugoslavia as a state. This is stressed in a document from the Federal Executive Council [FEC] on the situation in the country and measures for overcoming it, which was delivered to the Yugoslav Assembly today.

Attempts are being made by all means to halt the processes of reform which have begun, and unilateral acts and measures by the state organs in individual republics are directly threatening the integrity of the country. The economic-political and constitutional-legal crisis has reached a climax. A complete breakdown in the vital functions of society is becoming increasingly likely, which is leading to a climate of despair and hopelessness, the government considers.

Abroad, Yugoslavia is seen as one of the most dangerous crisis centers in Europe. Furthermore, the FEC document stresses that there are those who consider that it is on the brink of complete disintegration and civil war.

The government considers that following the multiparty elections, the time is ripe for a new political agreement on future relations within the Yugoslav community, as well as for achieving political consensus on a democratic solution to the crisis on the bases of the economic and political reforms already embarked upon, which are the conditions for the functioning of Yugoslavia as a community.

It is, therefore, essential to put an immediate end to the negative processes and to proceed toward new relations and institutions, on the basis of a new historical agreement of the Yugoslav nations.

For the sake of stability during the period needed for agreement, it is essential to reach agreement that the minimum necessary is the convertability of the dinar as a single Yugoslav currency, foreign currency reserves which insure external liquidity, unhindered payment operations, the functioning of an integrated market (of goods, capital, labor), observance of the present concept of generating resources for financing the functions of the federation, and acceptance of an obligation to maintain personal and public expenditure within the limits of established policies.

It is also necessary to insure the restructuring of ownership as an essential prerequisite for the overall social reform, to adopt a program of recovery for the banking and financial system, and to insure social programs and the execution of the federation's established obligations in the area of defense, state security, and international affairs.

In addition to these measures, the FEC considers that other conditions should also be insured for achieving agreement on the future organization of relations in the Yugoslav community.

It is necessary to complete the procedure of adopting amendments to the SFRY Constitution, and if this is not possible to agree on solutions which facilitate continued reform and multi-party elections to the Federal Chamber.

It is necessary to insure the functioning of the federal organs, especially the SFRY Assembly, the SFRY Presidency, and the FEC. In this connection, the mandate of delegates to the Chamber of Republics and Provinces of the SFRY Assembly should be extended.

In conclusion, the document, "Assessments of the situation in the country," says that it is essential to create conditions for the free flow of information throughout the whole Yugoslav information area.

The FEC will call for the realization of these directions, but it is also prepared to participate in a search for any other solution leading to the realization of the stated goals.

Commentary on Markovic's Possible Resignation

AU2812114390 Sarajevo OSLOBODJENJE in Serbo-Croatian 26 Dec 90 p 4

[Branislav Boskov commentary: "The Government Is (Currently) Hanging in the Air"]

[Excerpt] The last week of 1990 could be the farewell for Ante Markovic from his post of the president of the Federal Executive Council [FEC]. There are indications that (after a series of meetings this week) on Friday Ante Markovic could ask the SFRY Assembly to hold a vote of confidence in his cabinet, or simply tender his resignation. Whether this will happen or not very much depends on the upcoming sessions scheduled for Wednesday and Thursday. First, as we have learned, Markovic will hold talks with the presidents of the republican executive councils. This will be followed by the already announced session of the SFRY Presidency, which should also be attended by the presidents of all republics. The conduct of the Federal Government before the delegates of the SFRY Assembly on Friday will depend on the outcome of these talks.

Three Negotiating Days

The session of the SFRY Presidency—that is, whether the Presidency supports Markovic's (already amended) macroeconomic policy for 1991—will obviously be the crucial factor. The events at the previous session of the SFRY Presidency, at which Markovic faced a "group of experts," economists who analyzed, and as claimed, criticized the government's proposals, promise a sharp dialogue and an uncertain outcome. Criticism does not, however, have to mean the rejection of proposals and support, especially if it is constructive and not tendentious or ill-intended.

A possible denial of support could practically mean that the government is losing its last stronghold, because the public is already familiar with the dissatisfaction of the republican leaderships with the first version of the economic policy for next year. How serious this problem is, is illustrated by the situation in the SFRY Assembly, where almost nothing resembles the usual heated atmosphere that characterize the end of the year and negotiations about plans for the following year. Although the remaining days of this year could be counted on one hand, the Federal Assembly is hardly discussing any plan documents.

The Serbian Assembly (perhaps because of its involvement in the recent elections) did not discuss the proposals of the Federal Executive Council for next year at all. On the other side, the representatives of Slovenia and Croatia do not have the authorization of their assemblies to reach any agreements because they did not support the proposals of the FEC. In other words, it will be impossible to find an agreement for either reason. The situation is complicated by the fact that this is the last year of the five-year-plan period and that one cannot apply the same parameters of the medium-term plan as temporary measures to next year until an agreement—that is, a decision—is reached on the SFRY Assembly.

All in all, Yugoslavia faces an exceptional situation because it is entering next year without a single document of economic policy at a time when there is a great question mark over its survival. In fact, this renders the situation even more uncertain. Bearing this in mind, stories about resignation could be interpreted as the prime minister tactics to garner the support he is losing. The truth is, however, that there are to many loose knots among different republican leaderships—which leads one to the conclusion that very little has remained of Yugoslavia. It appears that the last link is in fact the cabinet of Ante Markovic. [passage omitted]

Presidency Denies Greeting Slovene Defense HQ

LD2712192390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1402 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—TANJUG has received the following information from the SFRY Presidency press office:

Ljubljana's 'NEZAVISNI DNEVNIK' of 21 December 1990, under the title "On the Occasion of the Yugoslav People's Arm [JNA] Day Receptions, greetings..." carried among other things the information that Dr. Borisav Jovic, president of the SFRY Presidency, also congratulated reserve Major Janez Slapar, acting chief of staff of the republican headquarters [HQ] of the Slovene territorial defense, on the occasion. In the opinion of the republican secretary for information, this war the first example of recognizing the republican headquarters of the Slovene territorial defense since the territorial defence in peace was transferred to the jurisdiction of the Slovene Presidency.

The press and information office of the SFRY Presidency is authorized to completely deny such claims as incorrect. SFRY Presidency President Dr Borisav Jovic has never sent such a message of greetings to reserve Major Janez Slapar on the occasion of JNA day.

On behalf of the SFRY Presidency, as the highest-ranking leading and commanding organ of the SFRY Armed Forces, Dr Borisav Jovic congratulated members of the SFRY Armed Forces on JNA Day, 22 December. The alleged headquarters of the Slovene territorial defense—led by reserve Major Janez Slapar—is illegal, according to the SFRY Constitution. The aforementioned greetings thus do not refer to this headquarters.

It is obvious that the lies carried by this and other media are just one more in a series of attempts to blame or discredit the legal organs of the territorial defense of the Republic of Slovenia and misinform the public by those who, so they claim, advocate truth, democracy, and a state governed by the rule of law.

Drnovsek on Current Yugoslav, Slovene Situations

LD2212152790 Belgrade TANJUG Domestic Service in Serbo-Croatian 0013 GMT 22 Dec 90

[Text] Ljubljana, 22 December (TANJUG)—Janez Drnovsek, member of the SFRY Presidency, spoke about the current social and political issues in Slovenia and Yugoslavia on Ljubljana Radio tonight. He paid special attention to resolving Yugoslavia's crisis and the forthcoming plebiscite in Slovenia.

Drnovsek stressed that there had been no direct intention on the part of the SFRY Presidency to thwart the plebiscite, since democratic decision-making by people in general could not be disputable if our society wants to be a democratic one. In this context he refuted the recent, frequently mentioned, rumor of a possible intervention by the Yugoslav People's Army in Slovenia, saying that this danger was unrealistic. In his view this issue has always been exaggerated.

"I believe that the Yugoslav Peoples' Army wants the current situation to unfold orderly—a reasonable thing in fact. If the unresolved issues are regulated in a sensible way, both on the part of Slovenia and others, there is no danger of this kind", Drnovsek said.

Drnovsek sees two solutions for Slovenia to carry out its sovereignty and autonomy to the full—talks between Slovenia's representatives and the federation's representatives or between representatives of individual republics. Any deadlock position is no longer possible, he said.

In this context he stressed that the plebiscite was not an act of international recognition of an independent and autonomous Slovenia. This recognition depends primarily on Slovenia's agreement with the rest of Yugoslavia on this issue.

If the conflict between Slovenia and Yugoslavia were to continue, it is most likely that many countries would wait until it has been resolved. Otherwise they would find themselves in a situation whereby recognizing Sloven would entail dispute with the rest of Yugoslavia.

The international community, Drnovsek believes, would recognize Slovenia very quickly provided it regulated by agreement all issues with Yugoslavia. In that case its inclusion into international associations would ensue very quickly.

Drnovsek resolutely condemned possible pressures on other nations and nationalities leaving Slovenia in the wake of the plebiscite. "Slovenia should not fall a prey to some nationalist euphoria. Europe has outgrown this stage. It has set fairly high standards in the protection of man's individual rights regardless of anyone's nationality. If Slovenia got entrapped by primitive nationalism I must say that Europe would disqualify it".

He considered his recent talks with Slobodan Milosevic, the president of the Presidency of Serbia, to be beneficial and necessary, since these were talks with a partner in the denouncement of the Yugoslav crisis as well as in the coming period.

"I found it beneficial to exchange our views and to get acquainted with what Milosevic's present attitudes toward solving the overall situation were and what sort of policy we could expect on the part of him and Serbia. My general impression is that there is a readiness and goodwill to solve the issues. Some of the stands presented, though, remained unchanged, Janez Drnovsek said.

Drnovsek Expresses Views on Federation Issues

LD2312211190 Belgrade TANJUG in English 1843 GMT 23 Dec 90

[Text] Belgrade, Dec 23 (TANJUG)—Janez Drnovsek, the Slovenian representative in the Yugoslav state presidency, is in favour of a new agreement of the Yugoslav republicism, but he is not insisting on it being termed a confederation.

In an interview published in the latest issue of the independent Belgrade weekly VREME, Drnovsek said it was important that the republics "achieve some sort of union," whose "name itself is not important," as it can be called "a confederation or something else."

Drnovsek holds that the "differences are not all that great" between the confederal model (proposed by the republics of Slovenia and Croatia) and the federal one (which among the other four republics has the biggest support in Serbia and Montenegro).

Drnovsek told VREME it was important in the current stage to "retain at least some minimal elements of integration." In his view, these elements are the economic relations among the republics, some foreign relations and defence, which, he said, can be "a combination of autonomous and joint elements."

Drnovsek holds that Slovenia and Croatia have already established a confederal status for themselves.

He believes that the European community will out of its own pragmatic political interest continue to support an integrated Yugoslavia, but that the EC will not oppose republics which decide on independence.

Work on Draft Declaration Halted

AU2712194990 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 27 Dec 90

[Olivija Rusovac report; place and date not given]

[Excerpt] [Announcer] The SFRY Assembly Constitutional Commission [words indistinct] the draft declaration which establishes rules of behavior to be observed until a new agreement on future relations in Yugoslavia is reached. This painstaking work should be concluded in the middle of January.

[Rusovac] The SFRY Assembly Constitutional Commission agreed not to adopt conclusions on the draft declaration on establishing future regulations in Yugoslavia today. Expounding on this suggestion, the Commission chairman, Mijat Sukovic said that the proposed text had not been examined by the constitutional commissions of all republics, that the future relations are being discussed at the expanded session of the SFRY Presidency held today, and that the SFRY Assembly will meet tomorrow and on the day after tomorrow to adopt decisions on economic policy measures in the next year. The results of all these meetings will have certain influence on future relations, so the Constitutional Commission should create room for a more complete communication and information.

It was therefore accepted that a working group, together with representatives of the republican constitutional commissions, should examine all suggestions and the SFRY Assembly Constitutional Commission should then submit the documents to be adopted. These tasks will be performed on 7 and 17 January. [passage omitted]

Croatian TV Shows Jovic-Markovic 'Quarrel'

AU2712145190 Zagreb VJESNIK in Serbo-Croatian 21 Dec 90 p 5

[Milan Jelovac report: "When a Champion Attacks a Champion...."]

[Text] The session of the SFRY Presidency held on Wednesday [19 December] started with a real quarrel between Prime Minister Ante Markovic and Borisav Jovic, president of the SFRY Presidency. The quarrel broke out over the presence and the role of an expert group that was set up by the SFRY Presidency. We carry the unofficial shorthand notes of this unusual dialogue, which, thanks to the switched on microphones, had much a wider audience than its participants would have liked....

Markovic: You have promised me....

Jovic: Pardon?

Markovic: You have promised me that this Presidency session will be held without the presence the expert group. I am not here to answer to the expert group!

Jovic: Please....

Markovic: You can interpret this any way you want. You told me nicely—we held a session...(Jovic interrupts him)

Jovic: No, you know....

Markovic: We held a session with the members of the group and they should not be here. Did you not say that this morning?

Jovic: No!

Markovic: You did not?

Jovic: We did not discuss it at all!

Markovic: We did not talk about that?

Jovic: Not at all... It is up to the presidency who it wants to invite. If the presidency decides so, you do not have to answer to the expert group. If...(everybody is shouting, and Markovic is heard saying: I cannot work like that!)

Markovic: I will stay here today!

Jovic: Please yourself! I think this is unprecedented, unprecedented...!

Markovic: Yes it is, this is unprecedented, indeed unprecedented toward the president....

No doubt, this very interesting quarrel between Borisav Jovic, president of the SFRY Presidency, and Ante Markovic, president of the Federal Executive Council, recorded for the first time as an audio report, with the usual television picture, entertained those who watched the last news program on the second channel of Croatian Television on Wednesday night. The 60 seconds of the recorded and subsequently replayed material illustrates divisions in the federal leadership. As one can see, all kinds of methods and means are being used, and therefore one wonders why television viewers and the public in general should not in the future be presented with full rather than meager reports from the sessions, with the usual video recording.

In any case, Belgrade Television deserves praise for recording this and Croatian Television for showing it to its viewers.

[Belgrade BORBA in Serbo-Croatian on 25 December on page 3 carries the transcript of the same recording of the quarrel between President Jovic and Prime Minister Markovic adding a note that Belgrade Television did not show it to its viewers]

Secretary Kambovski on Need for Federal Document

AU2712174290 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 27 Dec 90

[Olivija Rusovac report]

[Text] The SFRY Assembly Constitutional Commission has still not concluded its debate on the declaration on the new way to regulate relations in Yugoslavia. Here is a report by Olivija Rusovac:

[Rusovac] The declaration envisages that new relations in the country should be regulated through joint work of the SFRY Assembly Federal Chamber and republican and provincial assemblies.

During the debate so far, Slovene and Croat representatives have clearly said that they cannot agree with federal organs and the Federal Chamber having an active role in creating new relations in the country. We can only hold bilateral talks or hold talks at the Chamber of Republics and Provinces after new delegations to it are elected, Petar Stalec from Croatia said. He strongly opposes any regulation of federal relations in advance by the declaration, because that would be completely unrealistic in this situation. No other member of the Constitutional Commission denied the constitutional role of the Federal Chamber and federal organs. On the contrary, they were considered equal subjects in negotiating the future of the country.

Vlado Kambovski, federal secretary for justice, said that until the (?new) agreement, one must ensure the vital functions of the state, because the alternative to this is chaos and coercion. The Federal Executive Council will demand a political consensus for the economic policy in the next year, and the declaration is a document that expresses readiness for this consensus, Kambovski said.

FEC Discusses Proposed 1991 Budget Reduction

LD2712210590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1229 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—The Federal Executive Council [FEC] has proposed that the total volume of next year's federal budget be 145.5 billion dinars, which is down by about 10 billion compared to the initial proposal. According to the first reactions from delegates, however, it is difficult to believe that this sum will be adopted in the regular assembly procedure.

Rade Milenkovic, an official in the Secretariat for Finance, announced at today's session of the Committee for Federal Budget of the Chamber of Republics and Provinces that almost all the beneficiaries of the federal treasury had their funds reduced by five to 10 percent. A 10 percent reduction has been envisagd for the budget of federal organs and a five percent cut for the Yugoslav People's Army.

Delegates in the Committee for Federal Budget say that not all their proposals on the need for further rationalization and economy at the federal level were taken into account and that the final decision on this will be passed only after the decision is made by the Committee for Finance, where positions on the total volume of the federal treasury are being coordinated.

Federal Presidency Discusses Economic Affairs

LD2712184190 Belgrade TANJUG Domestic Service in Serbo-Croatian 1750 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—At today's session the SFRY Presidency, presided over by President Borisav Jovic, is considering macroeconomic policy in 1991 and a report on the unsettled commitments of the republics and autonomous provinces toward the federation's budget.

As announced by the SFRY Presidency's press office this evening, also taking part in the work of the session are the Federal Executive Council [FEC] president and his associates and all presidents of the presidencies of the republics and autonomous provinces, apart from the president of the Republic of Croatia, who for objective reasons is not attending the session.

The introductory speech was delivered on behalf of the FEC by President Ante Markovic.

The SFRY Presidency session is still going on.

Republics Reject Federal Economic Program

LD2812044890 Belgrade TANJUG in English 0116 GMT 28 Dec 90

[Text] Belgrade, December 27 (TANJUG)—The parliaments of the Republics of Croatia, Slovenia, Bosnia-Hercegovina and the Province of Vojvodina turned down on Thursday the federal government's proposals on some crucial laws on which Yugoslavia's macroeconomic policy for the next year is based.

On Friday, a debate on the government's economic policy is expected to close in all six republics and begin in the federal parliament, whose decision will be the final one.

The deputies of the Croatian parliament did not accept the draft tax law, believing that tax policy should come within the competence of the republics.

They also rejected the draft law on a special federal turnover tax on goods and services for financing the Yugoslav People's Army, asking that the Army be financed exclusively from the federal budget.

However, the parliament of Bosnia-Hercegovina adopted the law on financing the Army but on condition that it be implemented only until March 31. It maintains that the Army should review its expenditure with regard to the current economic crisis and fall of the living standards.

The Slovenian parliament today turned down the proposed federal budget for 1991 of 145.5 billion dinars, saying that a reduction of only 9.2 billion dinars was not sufficient.

The Assembly of the Province of Vojvodina, which is a part of the Republic of Sebia, today sharply criticized the

federal government's proposed measures in the agricultural sector. In its view, the government's macroeconomic policy is anti-agrarian and therefore unacceptable for Vojvodina.

The deputies concluded that it was unacceptable that the agrarian complex be given up to the money and capital markets, especially at a time when there is practically no market in Yugoslavia. They believe that the agricultural sector should continue to be subsidized from primary issue, which should not be less than 50 percent.

Croatian Assembly Rejects Budget

AU2712144390 Belgrade POLITIKA in Serbo-Croatian 8 Dec 90 p 8

[TANJUG report: "The Assembly Did Not Accept the Proposed Federal Budget"]

[Text] Zagreb, 7 Dec—In a discussion this afternoon, the Croatian Assembly Chambers did not accept the proposed federal budget for 1991, nor the draft law and decisions connected with budget. It was assessed that the proposed increase in the budget of 58.6 percent in relation to this year is unacceptable because of its size and because of unrealistic chances for covering expenditure. The assembly especially drew attention to the excessive increase in funds for the Yugoslav People's Army, the financial rescue of banks, and funds for undeveloped regions.

Among the 15 or so federal acts that were not approved is also the proposal to set up a solidarity fund for coping with the consequences of natural disasters.

Croatian Assembly Views Federal Regulations

LD2712173390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1100 GMT 27 Dec 90

[Text] Zagreb, 27 Dec (TANJUG)—The Croat Assembly considers unacceptable all those proposed federal regulations that are likely to hamper and slow down the republic's independent economic development on the basis of market orientations.

This view as expressed today at the beginning of the session of the Assembly of the Republic of Croatia in the course of a debate on a number of proposed federal documents which are under consideration in the SFRY Assembly's Chamber of the Republics and Provinces. The Croat Assembly has authorized its delegation to this chamber to endorse the proposed federal documents according to standpoint previously agreed on, providing certain conditions are met, especially in the field of foreign trade and monetary policy.

The Croat Assembly delegates rejected the proposals of the federal taxation law. It was said that the law would have no considerable impact on the unity of the Yugoslav market and that the law's provisions should be incorporated in the tax regulations of the repubics and provinces.

The Croat Assembly also failed to accept a proposed law which would provide for a special turnover tax to finance the Yugoslav People's Army in 1990. The assembly explained that the army should be exclusively financed from the federal budget.

Federal Assembly, Bank Governor Mandates Extended

LD2712153590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1144 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—The Legislative-Legal Commission of the SFRY Assembly's Federal Chamber today upheld a proposed decision to extend the mandates, which are due to expire at the end of the year, of SFRY Assembly officials and of the Yugoslav National Bank governor.

The commission explained that the mandates needed to be extended to ensure that the federation functioned normally until solutions were found for emerging from the constitutional crisis in the country.

In view of the federal government's constitutional status in the SFRY Assembly's executive body, the Legislative-Legal Commission sees no need for a separate bill to extend the mandate of the Federal Executive Council. This decision stems from the connection between the Federal Executive Council's mandate and that of the SFRY Assembly within the system of power unity. The SFRY Constitution insists on the obligation to elect new federal government once new federal assembly chambers have been installed.

The commission also discussed a proposed law providing a framework for a future public information system. The conclusion reached is that a clause from Article 1 of the law which "guarantees freedom of public information" can be deleted since the SFRY Constitution provides for the same guarantee. In other words, the law can only stipulate the way in which individual freedoms and rights guaranteed by legal documents of higher standing are to be realized.

Limitation of Currency Short-Term Measure Viewed

LD2112194690 Belgrade TANJUG in English 1739 GMT 21 Dec 90

[Text] Belgrade, December 21 (TANJUG)—The Yugoslav Government will not stop liberal sales of hard currency and yesterday's decision to limit sales of hard currency to Yugoslavs and the amount they are allowed to take out of the country is a short-term measure, Yugoslav Finance Minister Branimir Zekan said today.

In a talk with reporters today, Zekan said that limiting sales of hard currency to citizens and the sum they are allowed to take out of the country to a maximum of 1,000 German marks will last until the Federal Parliament determines the economic policy measures for next year.

The current limit, he said, should not be taken as a return to administrative measures, but only as a "stopgap

measure in the over-heated demand motivated by speculation and political reasons."

The Federal Government will also retain the convertibility of the dinar and the liberal concept of its economic policy as a whole, Zekan said.

This temporary measure, Zekan said, is aimed at preventing speculations with the exchange of hard currency and the taking of national capital out of the country.

The governor of the National Bank of Yugoslavia Dusan Vlatkovic said that the unstable political situation in the country and speculations about an alleged de-valuation of the national currency have caused the demand for hard currency to rise from a few scores to several hundred million dollars daily in the past few days.

Vlatkovic said that Yugoslavs had purchased 5.7 billion dollars this year and that the hard currency reserves of the country currently amount to 7.9 billion dollars.

Agreement Reached on Milosevic-Kucan Meeting

AU2712132790 Skopje NOVA MAKEDONIJA in Macedonian 24 Dec 90 p 3

[D.R. report: "Unofficial: Milosevic-Kucan Meeting Agreed"]

[Text] Rumors have been spreading in Belgrade that recently there was a meeting between Janez Drnovsek, member of the SFRY Presidency, and Slobodan Milosevic, president of the Republic of Serbia. The meeting lasted two hours. Drnovsek, in fact, acted as the mediator between the leaderships of Slovenia and Serbia, which are quarreling at present. It is said that the talks were "conducted in a constructive atmosphere" and that Drnovsek succeeded in persuading Milosevic to meet Kucan before the festive announcement of the outcome of the plebiscite in the Slovene Assembly scheduled for 26 or 27 December. It is also claimed that Milosevic gave Drnovsek firm assurances that he is now ready to meet the Slovene leadership, and that he asked Drnovsek to immediately inform Ljubljana about this.

The rumor about the meeting has so far neither been confirmed nor denied. It is also not known whether Drnovsek mediated on behalf of the SFRY Presidency, or as a representative of Slovenia who is temporarily working in Belgrade. However, regardless of whether these rumors about the renewal of a dialogue between Slovenia and Serbia are correct or not, observers claim that this should be placed in the context of the already announced Yugo-summit in Belgrade at which the republican "leaders," the SFRY Presidency, the federal government, and the representatives of the republican executive councils should finally agree on how to resolve the Yugoslav political crisis.

Serbian Assembly Disagrees on Tax Package

LD2712232390 Belgrade TANJUG Domestic Service in Serbo-Croatian 1655 GMT 27 Dec 90

[Text] Belgrade, 27 Dec (TANJUG)—After several hours of discussion, delegates of all three chambers of the Serbian Assembly, which is discussing a package of laws on new taxes and contributions to cover the deficit in the republican budget, failed to reach an agreement on whether these laws should be passed in an emergency procedure. They asked that a decision on the additional taxes on the economy and people be passed by the new assembly. Representatives of the republican government, however, remained adamant that this is the only way to solve the problem of tension concerning personal incomes and various social contributions.

Polled Serbs Do Not Trust Belgrade Media

AU2712202690 Belgrade BORBA in Serbo-Croatian 6 Dec 90 p 5

[C. M. report: "Serbia Does Not Believe Its 'Eyes'"]

[Text] The majority of citizens who are acquainted with the measures adopted by the Serbian Assembly which impose taxes on the goods imported from Slovenia, Croatia, and abroad are of the opinion that these measures are damaging to Serbia.

This is one of the interesting results of a political opinion poll conducted by a research team of the Belgrade Political Studies Institute on a stratified sample of 900 respondents. Apart from those who are not acquainted with the measures (24.6 percent) and those who "have no opinion," 35.6 percent of the respondents think that the citizens of Serbia are losing with these measures because taxes make goods more expensive and Slovenia and Croatia may reply by introducing the same measures.

As concerns the case of Belgrade Television refusing to carry a relay of Prime Minister Markovic's expose in the SFRY Assembly, as many as 53.5 percent of the respondents do not approve of such a move, 21 percent agrees with it (16.9 percent because "Markovic is working against Serbia," and 4.1 percent because the expose was not carried by other television centers either), while the others are indecisive.

Another gesture of Belgrade Television—its refusal to carry the YUTEL channel program—was condemned by 43.2 percent of the respondents. Out of this number, 23.9 percent believe that they are denied the opportunity to hear the other side and 19.6 percent that individuals in Belgrade Television are abusing their positions. Belgrade Television's decision is approved by 24.3 percent of the respondents who explain their decision by saying that Ante Markovic used YUTEL to promote his party, which is also the official explanation given by Belgrade Television.

Because of all this, 40 percent of citizens do not trust the television (under which one implies all three television

centers in the republic), while only 15 percent completely believes the messages presented on the small screen. It is interesting that the percentage of people who do not believe (or believe only partly) what they hear on the radio is almost 10 percent lower.

According to preliminary results of this research, the percentage of people who do not trust POLITIKA is much higher than of those who trust it. About 30 percent of respondents believe only a few things or do not believe anything. Only 3.9 percent of citizens fully trust POLITIKA and 8.6 percent mostly trust it. The remaining 57.7 percent did not answer the question because they do not read POLITIKA.

As concerns citizens' views about the policy of the Federal Executive Council, the researchers have concluded that this is exactly where results of the media campaign launched in Serbia against the Federal Executive Council show. For example, a high percentage of citizens (28.2 percent) are repeating the message launched within the media campaign—"the Federal Government policy is directed against Serbia"—and as many as 17.3 percent of respondents say that they lack real information in order to be able to judge the government policy. Twenty-six percent of the respondents, however, are of the opinion that the government should be left to implement its policy to the end.

Finally, one should mention that the research headed by Srbobran Brankovic was conducted in three stages, on the entire territory of the country, and on the basis of the 1988 population evaluation. Respondents were people over 18—that is, potential voters.

Ballots Found in Trash Cans in Novi Sad

AU2712173590 Belgrade BORBA in Serbo-Croatian 24 Dec 90 p 3

[S. Stanojevic and B. Lazukic report: "Ballots in the Trash"]

[Excerpt] Novi Sad—According to BORBA reporters, as well as the reports from seven constituencies in Novi Sad and Sremski Karlovci, the second round of elections—in which about a quarter of a million of people with the right to vote are taking part—was conducting peacefully in the morning and early afternoon, although the turnout was smaller than in the first round. This was also confirmed to us in a brief telephone conversation by Mladen Djurdjev, secretary of the electoral commission in the constituency of Novi Sad 3, and Laslo Agoston, deputy president of the constituency of Novi Sad 5. Jovan Morar, a duty official in the constituency of Novi Sad 7, said that the turnout was about 15 percent lower than in the first round of voting.

Nobojsa Djonkic, duty official of the Novi Sad branch of the Serbian National Renewal in Novi Sad, informed us yesterday about a "scandal" that was uncovered in the constituency Novi Sad 3 where Dr. Stanko Radmilovic, president of the republican executive council and candidate of the Socialist Party of Serbia, and Dr. Jovan Babic, representative of the united opposition, were the main rivals: "On Saturday evening, we found over 2,000 undelivered ballots behind cupboards in the offices of some local communes and in the trash containers in the suburbs of Novo Naselje and Satelit. Having checked these undelivered ballots we established that the people who were supposed to receive them were mainly young people who are more inclined to vote for opposition parties." [passage omitted]

Slovene Assembly President on Independence

AU2812103190 Vienna Television Service in German 2110 GMT 27 Dec 90

[Interview with Slovene Assembly President Franse Bucar by Hubert Nowak via a special telephone line to Ljubljana—live]

[Text] [Nowak] Good evening, Mr. President.

[Bucar] Good evening.

[Nowak] Mr. President, there is the fear that the Yugoslav People's Army [JNA] might be used to preserve the state of Yugoslavia. How great do you think this danger is and what can one do to prevent the parties from issuing counterthreats and listen to reason?

[Bucar] Well, I have to tell you very clearly that this fear does exist; however, if we think rationally, such a thing would be virtually impossible. In the 1990's in Europe one cannot afford to do something like this. It would in fact be a disaster for Yugoslavia and also for the Army. I think that this is a fact we have to take into account.

[Nowak] A delegation of the Helsinki Federation which visited Yugoslavia a few days ago gave a news conference in Vienna today. They said that the Belgrade central government is expected to resign in a few days and that Yugoslavia is on the brink of civil war.

[Bucar] Well, it has always been said that Yugoslavia is on the brink of civil war. I believe this is only a tremor and a case of psychological warfare against our country. Of course, one has to take risks and if we want to be independent and to regain our freedom we have to risk something. This is natural, but I think what we are risking is quite sensible.

[Nowak] President Bucar, what course will the negotiations about the confederation you are striving for take? Slovenia wants direct negotiations with the other Yugoslav republics. If this happens, however, the central government has threatened to resign. How can this be prevented?

[Bucar] We said that the current crisis in Yugoslavia cannot be solved with the Constitution that we have now. As a result, the Yugoslav Presidium has offered to work out agreements to restructure this state. We have just presented a draft confederation treaty. The Serbs, however, as you

know, are absolutely against this; furthermore, if Serbia does not give in, the question will be whether or not we will be able to establish a confederation.

[Nowak] In that case, do you want to secede completely?

[Bucar] The only option left at that point is that we would have to be completely independent.

[Nowak] President of the Republic Kucan said yesterday that a constitution and a draft, an agreement, on such a confederation treaty are to be drawn up within six months. Is this clear target—the specific period of six months—not an ultimatum, too much of a test, particularly in view of Serbia's resistance, which you have just mentioned yourself?

[Bucar] In our law on the referendum we made it clear that the results of the referendum have to be implemented within six months. In other words, within this period we have to adopt a constitution, pass several laws, and make practically all the necessary preparations for complete independence. We will, however, certainly offer the others an opportunity to join a confederation. In addition—and this is the most important point—we are not willing to enter into negotiations in the federal parliament, but will negotiate directly with the other republics and try to come to some agreements, at least to establish this confederation. If it is not possible, however, we have no other choice but to go our own way.

[Nowak] Do you not want to change this deadlines of six months?

[Bucar] It is a binding deadline. We have to become independent within this period. We have no other choice.

[Nowak] Thank you very much, Mr. President, for having come to the studio for this interview. Thank you very much and good night.

Slovene Prime Minister on Government Activity

AU2312213590 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 23 Dec 90

[Interview with Slovene Prime Minister Lojze Peterle by Sandi Frelih in the Ljubljana Press Center on 23 December—live or recorded]

[Text] [Frelih] Mr. Peterle, we in fact have the plebiscite behind us. Even before, the parties in the parliament had no doubts about its results. This is why my first question is: What will the first step by the Slovene Government tomorrow?

[Peterle] We also had no doubts about the results, and the government has already long thought only about what will happen after 23 December. I think that the first thing we will do will be to celebrate a little, but then very serious work will follow.

One of the first tasks will be to inform presidents of the world governments, that is, other governments, about what Slovenia plans to do after this event. We are then facing a lot of tasks concerning the very program of separation [odklapljanje], that is, of establishing our own legal order. There is also our view of the minimum functioning of the federal state in the transitional period, and our view on what one could agree upon with the others concerning the [words indistinct].

There will be a lot of work, and something will have to happen every day.

[Frelih] One of these days the destiny of Markovic's Government will be decided. Could you tell us something about the Slovene Government's thoughts about this?

[Peterle] As concerns Markovic, let me say the following: We, all presidents of republican executive councils, have been invited to attend a meeting on 26 December at which Markovic will present—only verbally, as it is his custom, so we never receive anything on paper in advance—his plans of economic policy in the coming year. We will then react to these measures and explain what the others plan to do about it.

However, I think that his government's destiny lies, perhaps, only in administrating in the intermediate period, because considering the events that have happened—that Serbia decided in favor of the road of independence, then Croatia, Slovenia—in these conditions, the Federal Government can no longer function normally. In my opinion, the only thing it can do is only the most necessary administration of the state during this transitional period.

[Frelih] Thank you.

Montenegro Assembly Elects New President

LD2712135590 Belgrade TANJUG Domestic Service in Serbo-Croatian 1148 GMT 27 Dec 90

[Text] Titograd, 27 Dec (TANJUG)—Dr. Risto Vukcevic, a prominent scientific worker and professor at Titograd's Faculty of Economics, has become new president of the Montenegro Assembly.

His election and appointment were greeted by prolonged applause from the deputies attending today's constitutive session of the republic's assembly.

At recent multiparty elections in Montenegro Dr. Vukcevic ran as a candidate of the League of Communists, the party which secured a two-thirds majority in the Assembly and the right to nominate the Assembly president.

Dr. Asim Dizdarevic, hitherto president of the assembly of the Bijelo Polje municipality, and Dr. Damjan Seckovic, professor at Titograd's Law School, were elected vice presidents of the Montenegro Assembly.

Montenegrin Leader Views Current Problems

LD2712215790 Belgrade TANJUG Domestic Service in Serbo-Croatian 1207 GMT 27 Dec

[Excerpt] Titograd, 27 Dec (TANJUG)—The newly elected multiparty Assembly of Montenegro was constituted in Titograd today, with 83 deputy seats won by the League of Communists, 17 by the Alliance of Reformist Forces, 13 by the Democratic Coalition, and 12 by the People's Party. [passage omitted]

At today's constitutive session of the Montenegrin Assembly, Momir Bulatov signed the solemn oath to take up his position as president of the presidency of the Republic, along with Svetozar Marovic, Milica Pejanovic-Djurisic, Hazbo Nuhanovic, and Slobodan Vujacic.

Addressing the deputies, newly elected Presidency President Momir Bulatovic stressed that today's constitution of the multiparty Assembly in Montenegro marks the beginning of an era of parliamentary democracy, which represents a civilizational achievement in the area of the protection and promotion of human rights and civil liberties and the development of social rationality, efficiency and humanity. He said that the organs of state government in Montenegro now have the legitimacy to make a full and equal contribution to the organization of relations within Yugoslavia.

The stand with which we won the confidence of the voters is clear and unambiguous. We consider that Yugoslavia must be a democratic federative state, a state of all its citizens and equal nations and nationalities. We also believe that Yugoslavia cannot be democratic if it is not united, nor can it be united if it is not democratic, stressed Bulatovic.

In his view, the inviolable will of all the nations of Yugoslavia must be respected and their decisions on full sovereignty and independence observed.

If the onslaught of what is to us incomprehensible national fervor brings into question the very future of Yugoslavia, we will be bound to call for decisions to be taken in a peaceful and reasonable manner, with exclusiveness eliminated and definitive and feasible solutions discussed. All issues must be resolved in keeping with the existing laws, or laws yet to be adopted, and the practice of quietly dismantling the federation must be stopped.

Bulatovic went on to ascertain that it is the citizens of Yugoslavia who feel most the impotence of the federal organs and the disastrous consequences of failure to observe the constitution and the laws in the eocnomic and business domain. After initial encouraging resutls, the restrictive macroeconmic policy of the Federal Executive Council [FEC] has brought the economy to the brink of financial and developmental collapse.

The FEC's unsuccessful voyaging in the waters of politics has only reduced the already seriously damaged reputation and respect of this state organ and has held up its reform undertakings in society, Bulatovic said. In this connection, he stressed that we have fallen into an almost paradoxical situation, because by embarking on economic reform we wanted to separate the economy from the domination of politics and leave it to the market, rather than party rules of behavior. What has happened, however, is that the main protagonists of democracy and reform have again taken the economy under their control and are forcing it to behave according to their criteria.

Today, even if there is no official boycott, goods are not being paid for simply because they come from some other republic. Thus, the cause of the general anarchy in the monetary sphere is not simply—though it remains so to a large extent—the restrictive monetary policy, but also the autonomous decisions of republics to unilaterally suspend federal regulations and acts, and to decide to whom they should pay or to whom they should not pay outstanding claims and liabilities.

Bulatovic went on to stress that the constitution of new organs of government, although necessary, is nevertheless not a sufficient condition for activating the existing natural, material, and labor potentials of Montenegro. He, therefore, considers the new parliament has the role of putting into operation the decision to create in Montenegro a modern state, an efficient and rational state which will encourage and direct citizens to use all their possibilities for the creation of material and intellectual values for themselves, their families, and their communities.

The president of the Montenegrin Presidency, Momir Bulatovic, as President of the League of Communists—the Party which has a convincing majority in the Assembly—expressed readiness to cooperate with deputies from other parties and to communicate with them in a democratic, argued and constructive manner.

The League of Communists, as the ruling party, considering its political role and importance, will have to take the lead with regard to alleviating the anticipated conflicts and disagreements and in putting a stop to further divisions among citizens on religious, nationalist, or any other basis, Bulatovic stressed.

The deputies of the newly elected Assembly today extended the mandate of the members of this republic's delegation to the Chamber of Republics and Provinces of Yugoslavia until the election of new members of this chamber of the Federal Parliament. They also extended the mandate of the Montenegrin Executive Council until the election of a new Montenegrin government.

Bosnia Elects Chamber of Republics Delegation

LD2712235190 Belgrade TANJUG Domestic Service in Serbo-Croatian 2058 GMT 27 Dec 90

[Text] Sarajevo, 27 Dec (TANJUG)—After a nine-hour discussion this evening, the Assembly of BiH [Bosnia-Hercegovina] elected its delegation in the Chamber of Republics and Provinces of the SFRY Assembly. The members of the delegation are: Muslims Irfan Ajanovic,

Enver Kreso, Mustafa Pamuk, Ekrem Ajanovic, and Mirsad Velandzic; Serbs Milan Novakovic, Milutin Najdarevic, Nikola Erceg, and Mirko Mijatovic; and Croats Pero Vasilj, Nikola Mandic, and Vlado Pandzic.

The Assembly failed to approve the repeated proposals by party delegates that delegates belonging to the other nations, including those who have declared themselves as Yugoslavs, should also have a chance of becoming candidates and being elected.

Bosnian Communists Protest New Communist Party

LD2712214190 Belgrade TANJUG in English 1958 GMT 27 Dec 90

[Text] Sarajevo, Dec 27 (TANJUG)—No one is entitled to make decisions on collective admission to the newly-formed League of Communists—Movment for Yugoslavia (LC-MY) because this would be against decisions made by the party of the Bosnian-Hercegovinian Reformed Communists and their party's program commitments.

The above is said in an announcement issued by the Central Committee of the League of Communists of Bosnia-Hercegovina—Socialist Democratic Party (LCBH-SDP) concerning the uncertainties amongst its membership as regards their party's relations with the newly-founded LC-MY. Accordingly, the LCBH-SDP Central Committee called the party membership to remain among the ranks of their party and not to join other organizations.

The LC-MY, formed officially in Belgrade last week, rallies a number of military personalities, active and retired and predominantly former political officials, just as quite a few until recently unknown younger communist activists.

The LC-MY party in its program commits itself to the rallying of left socialist-oriented forces on an all-Yugoslav plane and for the preservation of the federation of equal Yugoslav republics.

At the recent multi-party elections for the republic's parliament, the LCBH-SDP lost to the national parties of Muslims, Serbs and Croats who make up the majority population of the central Yugoslav Republic of Bosnia-Hercegovina.

Montenegro is the sole Yugoslav republic where the League of Communists (LC) won the elections.

Serbian Autonomous Region in Croatia Proclaimed

LD2112175290 Belgrade TANJUG in English 1529 GMT 21 Dec 90

[Text] Knin, December 21 (TANJUG)—The "statute of the Serbian Autonomous Region—Krajina" within the Yugoslav Republic of Croatia, which includes ten municipalities in Croatia with a predominantly Serbian population, was officially proclaimed today in the Croatian town of Knin.

Serbs in Croatia have thus proclaimed their autonomous region, and it was assessed that today is a "historical day for the Serbian people in Croatia."

Ever since the Croatian Democratic Union of Dr Franjo Tudjman won the first multi-party elections in Croatia last spring and ousted the Communists from power, there have been conflicts between the new authorities and the Serbs (about 600,000 of them) in this republic. Fearing national repression by the authorities, Serbs in Croatia have decided to proclaim a Serbian autonomous region in Croatia—Krajina.

'Symbolic' Number of Ethnic Albanians Vote

AU2312214190 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 23 Dec 90

[Mirjana Trajkovic feature on second round of Serbian elections]

[Excerpt] [passage omitted] Here is a report by Milivoje Mihajlovic on the second round of elections in Kosovo and Metohija:

[Mihajlovic] The interest in today's elections in Kosovo and Metohija is less than it was in the first round. Turnout was good in Strbac, Zubin Potok, Vucitrn, Pec, and Lipljan. In Decani and Djakovica, 90 percent of ethnic Serb and Montenegrin voters had voted by noon.

Some polling stations in communities populated exclusively by Albanians—Malesevo, Srbica, Kacanik, and Glogovac—have not even been opened, because ethnic Albanians refused even to take part in the work of electoral commissions. In Lipljan, for example, only seven out of 19 polling stations have been opened and in Podujevo only two out of six.

There were 55 candidates in Kosovo for 30 seats in the Serbian parliament, out of them, five Albanians. There were 29 representatives of the Socialist Party of Serbia, 11 of the Serbian Renewal Movement, 10 independent candidates, two candidates of the Prizren Democratic Reform Party of Muslims, and one each of the Radicals, the Democratic Alliance of Turks, and the Party of Democratic Action. Five candidates have already won seats in the parliament because they had no opponents: Radoslav Zlatanovic, Sejdo Bajramovic, (?Stefik Lugici), Milivoje Ribar, and Dusan Bulajic.

Only a symbolic number of ethnic Albanians voted today. Members of this nationality obeyed the order issued by the separatist alternative movement whose leaders have used the election boycott to demonstrate their lack of respect for the state of Serbia and its law and constitution. The leaders of the separatist movement have used their national spite against democracy this time, although it is also clear to them that, just as its past, the future of the southern province also lies in Serbia.